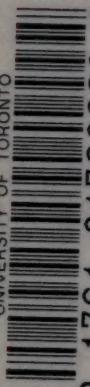


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# COIN ON MONEY TRUSTS AND IMPERIALISM

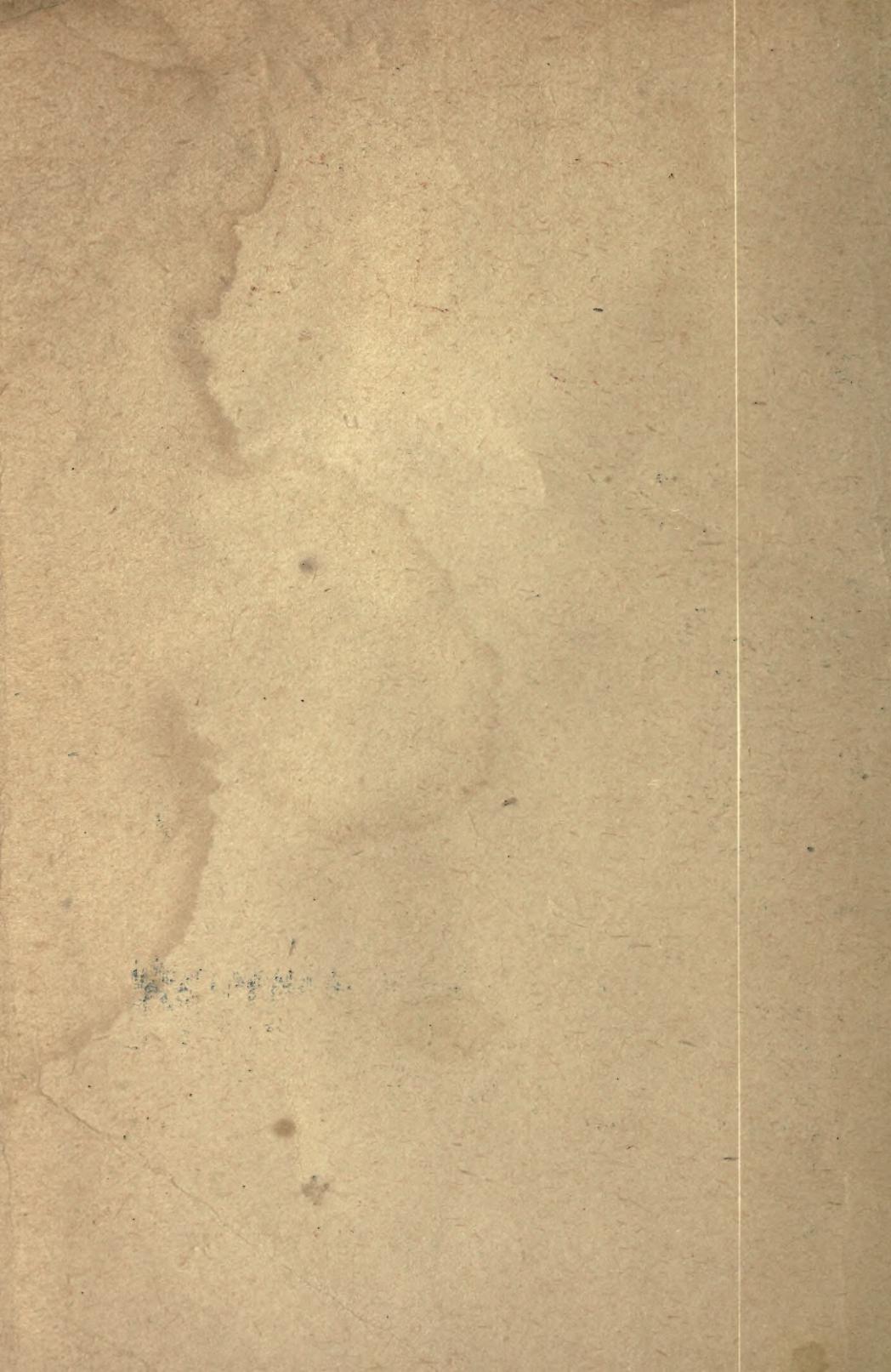
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MONEY, TRUSTS, IMPERIALISM.



# COIN

ON

## MONEY, TRUSTS, AND IMPERIALISM

BY  
**W. H. HARVEY**  
AUTHOR OF  
COIN'S FINANCIAL SCHOOL, 1894,  
COIN'S FINANCIAL SCHOOL UP-TO-DATE, 1895,  
AND A TALE OF TWO NATIONS

PUBLISHERS  
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I thank thee, O Father, Lord of Heaven and Earth,  
because thou hast hid these things from the wise and  
prudent, and hast revealed them unto babes.—Matthew,  
Chapter 9, Verse 25.

At the time the Bible was written, terms and expressions were used that had a meaning in that day, as expressions we use have in this day. According to the concordance to the Bible, the words “wise and prudent” meant the selfish people, and “babes” meant the pure of mind and unselfish.



# COIN

ON

## MONEY, TRUSTS, AND IMPERIALISM

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### CHAPTER I.

On Thursday morning, November 9th, two days following the fall elections of 1899, COIN, the young financier and statesman, arrived in Chicago.

That city was the scene of his triumphs in May, 1894, where for six successive days he had delivered lectures in the Art Institute, which lectures had since gone by the name of "Coin's Financial School." He had made a second appearance in Chicago in March, 1895, faced his critics, who had been emboldened by his absence, and had confused and routed them in his "School, Up to Date."

He had at the latter date suddenly disappeared and now as suddenly reappeared in the city of his former achievements. Five years and six months had elapsed since the holding of his "Financial School" and four years and eight months since his "Financial School Up to Date." In appearance he had changed. From the boy



COIN AS HE APPEARED ON  
THE PLATFORM.

of ten or eleven in knee pants, he now looked the boy of sixteen and wore long trousers. Otherwise he was the same little statesman who had set in motion a political revolution, the echoes of which were still heard in the land.

The afternoon papers contained an account of his arrival, and the morning papers of the 10th announced the intention of the little statesman to give another "School" in the Art Institute, the place at which the six lectures of "Coin's Financial School" were delivered—to begin on the following Monday, November 12th. The demand for tickets of admission far exceeded anything like the capacity of the hall. COIN directed that preference should be given to boys between the ages of ten and twenty, but that a sprinkle of all political factions, of all ages, should be admitted. Also, that those recognized by their followers as specially learned in advocating the gold standard, national bank money, Trusts and Expansion, be given front seats:—that he wished to look directly in their eyes, to talk to them, and to give them a hearing.

#### THE FIRST DAY.

The School opened as announced on Monday, Nov. 12th, 1899.

The hall was packed with people, and many tried to gain admission who were refused. More than fifty ladies were present.

COIN, as he came on the platform, was greeted with applause by about one-half the audience, while the other half sat silently in their seats.

On the platform, back of COIN, was a large frame, such as might contain the life-size picture of a person, and therein, in large type, these words:

**ELEMENTARY TRUTHS.**

Man serves himself best by promoting the common good.

The true purpose of human government is the promotion and development of the human race.

A smile begets a smile, and kindness begets kindness. On the other hand, abuse begets abuse, and cruelty begets cruelty.

A statesman is one who wants to do something for his country. A politician is one who wants his country to do something for him.

Wherever people come together to consider the common good, and vanity, the desire to promote self, predominates, it neutralizes all efforts to get good results.

The rise and decline of civilization may be marked by the increase or decrease in home-ownership. No nation can be truly great where a majority of the families are tenants, and not the owners of homes.

Individual selfishness crystallized into the laws of nations is the cause of the overthrow of republics, and is the mother of monarchies. Whenever the people by education and training become worshipers of Mammon, laws, as a rule, are made and construed in the interest of property, and humanity is neglected.



COIN began by pointing with a rod in his hand to, and repeating slowly the words in the picture frame, pausing between each paragraph, and at times making more plain their meaning.

As he read the one that said "A statesman is one who wants to do something for his country,—a politician is one who wants his country to do something for *him*," there was applause. He then added: "A statesman looks upon a public office as an opportunity to do good," and, saying this, was about to proceed, when some one in the audience said: "And a politician is a man with the 'office itch.'" This remark created applause mingled with laughter.

Having impressed each of the elementary truths, COIN proceeded:

"I would next have you learn an elementary principle on which democratic governments are based. It is this:

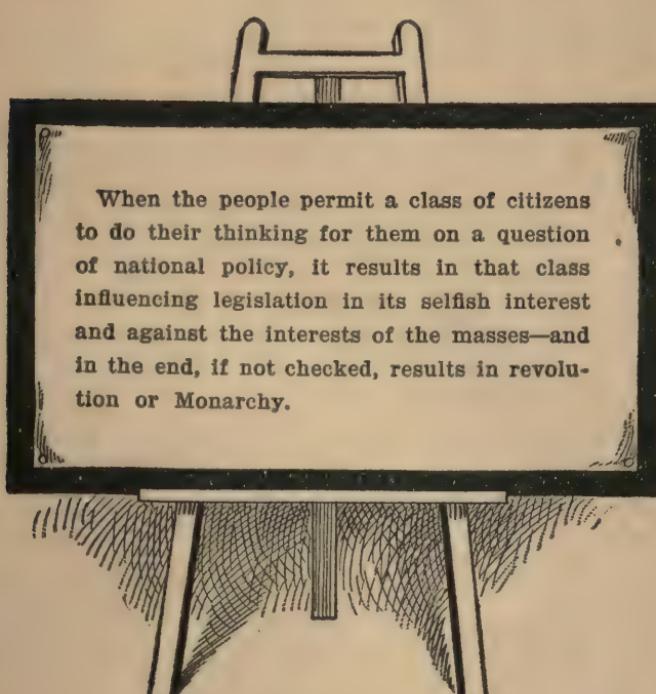
"When the people permit a class of citizens to do their thinking for them on a question of national policy, it results in that class influencing legislation in its selfish interests, and against the interest of the masses—and in the end, if not checked, results in revolution or Monarchy."

The little teacher then said that he wanted the boys present to commit to memory the principle just stated and that he would assist them in doing so. He drew from a portfolio a cardboard with it thereon in large type and put it on an easel placed on the platform by an attendant.

Continuing he said: "Experience has proven two things, One, that people, as a rule, are selfish, and the Other, that the laws of a government can be used with which to enrich one set of people at the expense of an other set. Those who are building up fortunes out of laws become very energetic in securing and maintaining laws that thus benefit them and are very ingenious in

giving reasons why such laws are generally beneficial; while the other people, busy at their various natural vocations, are prone to accept as sound the thinking of the class thus enriched by legislation, and the people realize usually too late that they have been placed in a position that dooms them to hopeless slavery.

"Two classes of people," he continued, "seem to have ever existed. One that is humane, that delights in the



When the people permit a class of citizens to do their thinking for them on a question of national policy, it results in that class influencing legislation in its selfish interest and against the interests of the masses—and in the end, if not checked, results in revolution or Monarchy.

upbuilding of mankind, and yet aims to provide comfortably for self; the Other, that seeks self-promotion and aggrandizement and incidentally, only, thinks of the common good. A member of the latter class is not satisfied with sufficient for comfort through life, but seemingly is possessed with the fever of greed. These two classes, from a religious standpoint, have been supposed to be

prompted, One by the spirit of Good, and the Other by the spirit of Evil; and upon the death of the body of one belonging to the first class, the life or spirit of such person, it is supposed, goes at once to an other and better world, where there is no death and no sorrow, as quickly as the voice may be transmitted to a great distance over an electric wire; and upon the death of one belonging to the second class, the life or spirit is supposed to pass as quickly to a world or planet possessed by like spirits, where they are the perpetual victims of each other's darts and stings.\*

"These two classes or spirits come in conflict in civil government. One seeking to perfect civilization in the interest of all, and the Other seeking to prey on those who toil and produce. The evil in government that has never been controlled is class legislation. It means laws whereby one class of people preys upon other people; and the extent of it and the injury of it has never been wholly understood. Monarchy embodies all the evils of class laws and is instituted for the protection of those who thus make their fortunes. Republics and democracies are instituted for the purpose of holding this evil in check and of finally abolishing it.

"Having learned the principle that you must not permit the classes, that profit by laws, to do your thinking for you, we come to the next important elementary principle in free government. It is this:

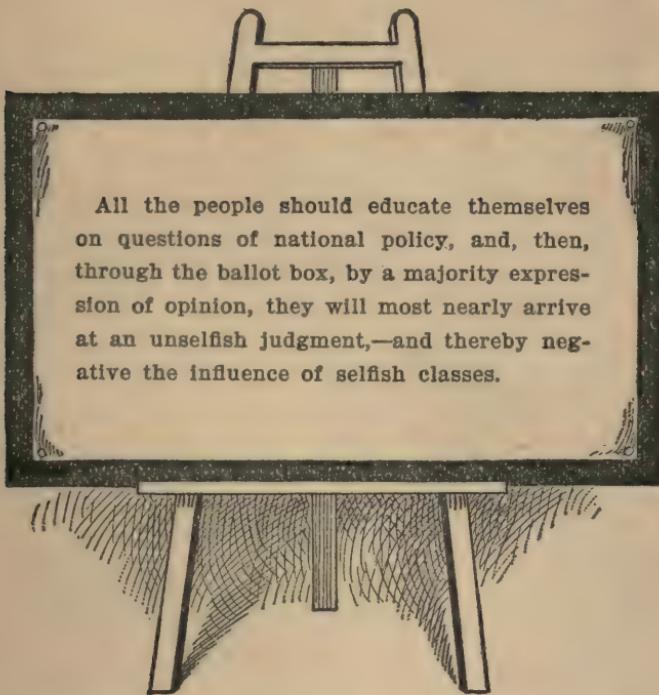
"All the people should educate themselves on questions of national policy, and, then, through the ballot box, by a majority expression of opinion, they will most nearly

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\*Telegraph messages and the voice can now be transmitted without wire. The message can be sent, passing through great iron vaults and buildings. It is but a slight indication of how the soul may pass from the body to another world.

arrive at an unselfish judgment—and thereby negative the influence of selfish classes.

“I want the boys to also memorize this second principle, and I will put it up where they can read it.” COIN took from his portfolio another card containing this latter principle and put it on an easel brought to him for that purpose. There was now in the center of the platform the



Elementary Truths; and with one on each side of it were the two Elementary Principles.

He continued: “By encouraging the education of all the people upon questions of national policy, they learn to think for themselves—see the dangers that threaten civilization—and in time grasp the philosophy of free government. The boys may thus learn while they are yet young, and on coming of age will be ready to exert their influence at elections for the good of mankind.

"An Empire or Monarchy is founded on the theory that those who have grown rich, those who have first obtained their riches through class legislation, know best what laws should be made and what the policy of the nation should be. They educate the people to this belief and accustom the latter to the position of lackeys, dependants and tenants. Sometimes a mild form of popular government is given to the people to amuse them, and deceive them, with the idea that they are directing public thought. Many Republics assume this form, for a time, prior to being changed into an actual Empire or Monarchy. Empire and Monarchy mean practically the same thing. And Republic and Democracy mean substantially the same."

Here a young man about twenty years of age, by the name of Robert Crow, interrupted COIN to know if there was not a slight difference between Empire and Monarchy, and again between a Republic and a Democracy?

"Yes," replied COIN, "an Empire is a Monarchy reaching out to place other people under its dominion or rule. A Monarchy seeks to subjugate its own people only; it is known as an Empire when it seeks to rule other people. A Democracy differs from a Republic in that it seeks ever to get nearer to the people and to make them feel and have the responsibility of deciding all questions—a Republic leans more toward the people selecting representatives to settle questions of government for them." Having answered the question the little lecturer proceeded:

"So, that the distinctive difference between a Monarchy and a Democracy is that a Monarchy is conducted in the interest of those who use laws to enrich themselves; a Democracy is intended to abolish class legislation and establish a government with '*Equal rights to all and special privileges to none.*' We will see as we proceed how class legislation may eat out the heart of a Republic or a

Democracy, and turn it into a cold, pulseless Monarchy. The Good Spirit, God, is now contending with the Evil Spirit, the Devil, here in the United States, and, at the present time, education upon the subject of civil government is more important than upon any other subject.

“No people, as a whole, have ever understood the effect



THE RELIGION OF POLITICS.

of laws on civilization. They have drifted along not understanding the effect of laws on their welfare, and it has been to the interest of the benefited classes, to so direct education that the people might not be enlightened.

“Where greed and vanity is cultivated in a Republic, the people lose sight of the Elementary Truths on which they started out, and then the Republic drifts more rapidly toward class laws and a Monarchy.

"For you to understand how Republics once begun may be destroyed, you must understand what effect laws may have that are intended to benefit a class. To make this clear I will use as an illustration a law in England. It is a law that permits the owner of land to settle it on the oldest son, to descend indefinitely from oldest son to oldest son. It is known as the law of *entail*. Once *entailed* the land could not be divided and sold to others, but would be held by the oldest living son to pass at his death to the next oldest son or other person named in the deed *entailing* the land. The effect of this law was that in time, 99 per cent of all the lands in England, Scotland and Ireland, passed into the ownership of less than *one* per cent of the people; thus reducing 99 per cent of the people to tenantry. It created a class that lived vain lives of idleness and luxury, while depriving others of land that would have served them for homes. Our forefathers understood the effect of this law, on civilization, that reduced a people to tenantry and provided against it in the constitutional laws of this country. It is a law, where it exists, that makes impossible a general system of home ownership, and reduces nearly all the families to the position of tenants.

"When people become hopelessly tenants and can see no better future for themselves, they lose pride of home and hope of the future. They can, after that, see no reason for studying public questions, seek only to provide for themselves as best they can in their position of dependants; and seek to curry favors with those upon whom they are dependent by voting with them, if they have votes, or otherwise being slavish toward those who are in the position of masters to them. No Republic can exist long where a majority of its people are tenants, and, de-

pendent upon others for the opportunity of making a living.

"You can thus understand why any law that increases tenantry and places the opportunities of a living in the hands of a few, is destructive of good government and human happiness. Instead of the law of *entail*, it would have been a better law to have provided that no one should own more land than was necessary for the comfort of himself and family during their natural lives.



ONE OF THE OLDEST SONS.

"While the evil effect of such a law was plain to our forefathers, and is plain to us, you will ask yourselves the question, why the people of England have permitted it? It is because the dependent people, in currying favor with those who possess the wealth and control employment, give willing submission to conditions as they are; and

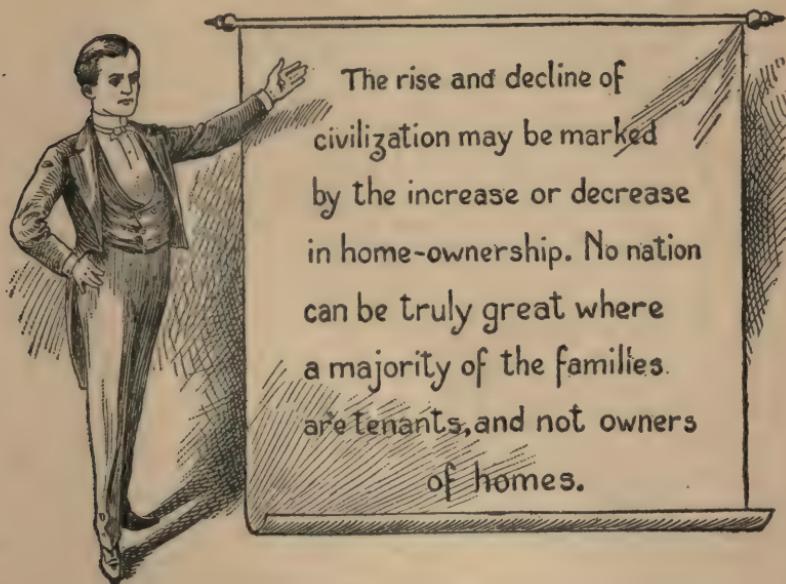
know, as a rule, that agitation and resentment at conditions may deprive them of temporary food and shelter.

"It is also true," continued the little philosopher, "that people may become accustomed to a system of laws, and, never having known anything else, many adjust themselves to it as right—they find that public opinion accepts it as right—a public opinion moulded by the dominant classes—and thus surrounded on all hands by fixed conditions and customs, the young man or young woman coming of age, accepts the situation as it exists—and does not seek to change it. This is mainly true in England and among the other Monarchies and effete nations. I do not mean that all of the people in these countries have been broken in courage and have surrendered hope, but the dependency of their position, makes it possible for the law of *entail*, or any other class law, to remain undisturbed in those nations. In time people become accustomed to an erroneous system and regard it as right. They patch it up and blunder along, enduring the ills they have, and never think of overturning it and rebuilding the foundation.

"We, too, have laws," continued the boy schoolmaster, "that are as effectually reducing our people to tenantry and dependency as the land law of England has assisted in thus placing the people there. And the trouble with us, as it has been with all people similarly situated, is to have them understand that *it is the effect of laws* that is thus working their ruin—and to have those who become dependants to not lose courage, and to assist in their own emancipation."

At this point, Mr. Edward Jarvis of Benton Harbor, Michigan, rose in the audience and said: "You have made very plain the effect of the law of *entail* of England; so plain that I think any one not living under its

influence can understand it, and I suppose and hope that you are going to make equally as plain the dangerous class laws that we have with us. But, here is my question: Wherein will our people differ in subserviences, and in respect to that influence that operates on dependants, from the people of England? We come mainly of the Anglo-Saxon stock, the same as England; and if the people of England will submit to class laws that reduce



them to tenantry and a Monarchy, wherein will our people act differently?"

"In the case of every Republic," replied COIN, "that has gone down to its ruin, there is a *dead line*, which when crossed hope becomes extinct. With us, we have *not yet crossed the dead line*. When one is a tenant, or dependant, and his father and grandfather before him were such, hope, as a rule, dies out, and he no longer takes an interest in public questions, except for temporary personal gain. But with us, most of those who are now de-

pendants remember their fathers as home owners and independent of any one for means of employment ; and they have not lost hope of their emancipation. The remedy is education and organization. The people must be moulded into a *thunderbolt* for their deliverance,—and it must be through education and organization.

“It is true,” continued COIN, “that the ruling classes will try to exert their influence on those dependent on them, and on those, both men and women, who naturally toady to a vain aristocracy, and in many instances will succeed; but with able executive leaders, who know the value of time, we can, through education and organization, hold intact the masses of the people, overthrow class rulers, and advance rapidly the cause of mankind. Politicians who know the influence class rulers have had on dependants will naturally gravitate to the political party that champions the cause of the classes; but statesmen will arise to take their places, and assist those we now have, in leading the producers—farmers and other laborers—in a successful peaceful revolution.”

This opinion of the little statesman was received with applause, and Herman Buscher, a boy about seventeen years of age, rose and asked COIN if he would not make plainer whom he meant by “dependants.”

“One who is able,” replied COIN, “to initiate employment for himself, or who is able to live without employment, is independent of others for the necessities of life,—he is an independent citizen. A dependant is one who must depend on some one else for employment, and who is not possessed of means sufficient to live without employment. Those who are dependent,” concluded COIN, “are interested in opening up opportunities by which they may become independent,—work at which they may be their own masters. A farmer with an unmortgaged farm is

independent, can initiate his own employment; a wage earner is dependent on some one else for employment.

"The nearer a Republic," he continued, "becomes a nation of home owners and a people with independent employment, the nearer it approaches to a true Democracy,—which means the promotion and development of the human race. And the nearer a Republic approaches a nation of tenants and dependants, the nearer it comes to a Monarchy or Empire,—which means the slavery and crucifixion of the human race. When a nation, filled with dependants, becomes a Monarchy, these dependants or their offspring, eventually become serfs—without ambition or aspiration, degraded creatures, without hope of the future."

And with this COIN closed, saying that as it was the first day he wished the boys present to think about what had been said before proceeding further. All present seemed to be pleased with what he had said, and by their expressions seemed to think the little fellow was thus far unassailable. There were men present, however, who it was known intended to attack him at what they would regard the first opportunity.



A COMPOSITE PICTURE  
OF FIVE SERFS IN THAT  
MANY MONARCHIES.

## CHAPTER II.

### THE SECOND DAY.

The news columns of the morning papers of Tuesday contained a very fair account of the first day of the School. There was none of the usual abuse that it had been the practice of some of these papers to emit against those who would change existing conditions. Editorially, the Chicago papers were silent. If it was the intention to assail the little fellow, in the judgment of their editors, the time to do so had not yet arrived. Editorially they said nothing.

It proved, however, to be the calm before the storm that in the days to follow broke with all its fury upon the head of the little champion of popular liberty.

Those who had attended the first day received tickets that would admit them to all the days of the School, and they were again in their seats on the second day, with the hall filled to its full capacity, when COIN came on the platform.

“Yesterday,” he began, “we considered the truths on which human government should be founded; and the principles that must be observed to aid the people in perfecting such a government as is desired. Also, we learned the difference between a Monarchy and a Democracy; that the former stands for the protection of class rulers; and that it is through the latter that the people may hope for the perfection of civil government.

“We are now to consider wherein class laws are affecting us in this nation. We cannot hope to make the same progress in being quickly understood, when dissecting our own class legislation as when speaking of a class

law of another nation; a law that does not exist with us. When we assail a class law that exists here, those benefited by it, as a rule, are perfectly blind as to the injustice such a law inflicts upon others. It is good for them, and their unconscious selfishness finds ample reason to justify the law. Their influence, as a rule, dominates those whose business is connected with theirs, or benefited thereby. Also those who hold the chief salaried positions in business founded on class laws. All these will more or less bitterly oppose us. Another class of people that we can hope to do but little with are those who toady to the vain and rich.

"But, nevertheless," the little statesman continued, "if we manage well, a majority of the people in the United States will come under the influence of the truth and unite for their protection. Those from whom tribute is being exacted by the classes are the more numerous, and, their efforts well directed, will save this nation before it crosses the *dead line*. Class legislation to many of the people is a sealed book. They do not understand the effect of laws in reducing them to tenantry and dependency—that the evil effect of some laws may be to destroy manhood and womanhood—and a people and a nation. Environed as we are," raising both his hands and looking about him, "by these class influences around and about us—that will embarrass our efforts—yet let us have courage to proceed. All is at stake! No one, should envy the doom of a people, destroyed through their igno-



"ENVIRONED AS WE ARE," RAISING HIS HANDS AND LOOKING ABOUT HIM.

rance. Our course is the only one and it leads to a better world!

“As we proceed, do not understand me to be arraying you against the rich, as such. There is nothing to be made by railing at the rich, simply because they are rich. The poor, as a rule, would act just as the rich act, if the situation was reversed. Covetousness, that disregards the natural rights of others, exists with many people in all grades of life—the poor, as well as the rich. All such need an education that enlarges the soul, broadens the mind and loosens the ligaments of covetousness from around the heart.

“Chief among the class laws,” he continued, “that are destroying us, that is silently transferring the property of the many to the few, that are reducing the nation to tenantry, and the people to dependants, are our financial laws. As effectually and more so, is it doing this, than the law of *entail* in time reduced the people of England and Scotland and Ireland to tenantry.

“Money is a necessity in civilization. You cannot be a part of civilization without it. Civilization cannot exist without it. To be a part of society, money is as necessary to you as air and water. Imagine yourself without it, continuously without it, and then imagine what would be your condition. Say you live four miles from this hall; you would have to walk home; not being a producer of things to eat, you would probably need money with which to buy food, and later something to wear. The producer uses it to buy those things which he does not produce. Without it you would live longer than you would without air or water, but you would not be a part of civilization.

“Money is a medium of exchange, making possible diversified business and employment, by which people may

separate themselves from the soil that produces ; and engage in numerous other occupations, in the arts and sciences, in trade and commerce, in education and the mechanics, and other useful things. All this is possible with a medium of exchange. Without it this partial civilization that we have reared would sink back into semi-savagery. The total absence of money would drive people from business. We would then deal by barter and trade as the half-naked and uncivilized people do.



BEING WITHOUT MONEY THEY EXCHANGE ARTICLES.

“When you place such a necessity for our happiness and existence in the hands of a class of men, to decide for us how much of it society needs, to issue it and to receive from the people a toll for its use, you may form an impression as to the effect that might be expected in clogging a civilization that might be grander and greater

and more beautiful than this which we now have. You cannot trust the air that surrounds us or the water of the earth to a class of men to deal in for a profit. Nor can you with safety leave it to a class of men, who deal in money for profit, to say how much money shall be put in circulation, what it shall exist of, when issued and how regulated? Money is as necessary to civilization as air and water is to animal life. The most dangerous of all our class legislation is that which applies to money.

"And when you trust such a necessity to a class of men who are fortune hunters, engaged in private business, to issue, and expand, and contract, the quantity at their pleasure, this class of men will take advantage of such a law for their enrichment. As it may be used for great benefit, so it may be used for great injury when controlled by selfish men.

"Money is the blood of commerce, and, without it, commerce would stop! When the men of commerce permit a class of men who deal in money, for profit, to tell them and fix for them what is necessary as to money, it may be expected to end in the money dealers owning all that the men of commerce possess. And those who study civilization from a love of offspring and mankind, should not allow the life-giving fluid of civilization to be regulated by a class of men who deal in it for gain.

"By a system of false education the people have been accustomed to think that the men who deal in money know best what laws should be enacted concerning it. The money dealers have encouraged this idea. And this belief has given the money dealers the opportunity they desired, in influencing legislation in the interest of their class. They have also used the opportunity to fill all the government positions through which money is handled and regulated, with men of their class. A money dealer

is Secretary of the nation's Treasury; another is Comptroller of the Currency; they fill the positions of superintendents in the mints and sub-treasuries, and their advice is taken as to all laws and measures respecting this great necessity in which they deal.



LYMAN J. GAGE, A BANKER  
AND SECRETARY OF  
THE TREASURY.

"The laws, these men who deal in money have had passed to benefit their class, are numerous, and each new one has added to their wealth until, as we will see later, the bulk of all net earnings of the whole people is being annually paid over to them.

"Their principal business is to loan money for interest. That is, they charge for the use of money,

which is called 'interest.' Up to about fifty years ago it was called 'usury,' but since then it is called 'interest.' The word *usury* as used in the Bible means interest—one per cent was usury. There have been many laws made fixing a rate of interest beyond which it was unlawful to charge, and the word 'usury' is now used to mean 'interest' in excess of the legal rate, instead of meaning interest for any sum, as before. As the principal business of money dealers is to loan money for interest, they are as often called 'money lenders.'

They are called 'money dealers' because they deal in money; and 'money lenders' because they lend money.

"What I have said, as to the necessity of money impresses itself upon us at every turn in life. So great is



CHAS. G. DAWES, A BANKER  
AND COMPTROLLER  
OF THE CURRENCY.

its necessity that by example it is impressed on the little child at three and four years of age, who knows what it is and its use. You *can* do without bread and be healthy and happy. You *can* do without meat and be healthy and happy. And yet these two things are known as necessities. You *cannot* do without money and be a part of civilization. It is a necessity.

"There is as much reason for a normal supply of money—a greater necessity—as there is for a normal supply of wheat. The first great injury the money lenders do is in holding down the supply of money. The money lenders aim to hold down the supply of money so as to ply their trade of loaning what money they have, and which they use for that purpose.

"A normal supply of money for the United States is the quantity necessary for use in the exchange of all products, for conducting all business, and travel, and education, and the expenses of running the government.

"The quantity of money necessary to carry on, easily and without friction, all these exchanges of services and property and products, is what would be called a normal supply.

"We ascertain what this is, at the present time, by inquiring into how much money it takes to do all this. We first find that all the money in existence in the United States at the present time, outside of the national Treasury, is about \$2,000,000,000. The money necessary to pay the running expense of the national government at the present time is about \$600,000,000 annually, or about one-third of the amount in existence, to say nothing of the expense of running the state and county and city governments, and the exchange of products and services between the people.

"We next find that our producers and business men

are borrowing, in order to make the exchanges, to secure sufficient money to do so. One class of the money lenders own banks, where money is loaned on short time, usually from 30 to 90 days with a charge for the use of it. Here we find, by the report of the Comptroller of the Currency, just issued, that our business men, in order to get sufficient money to perform the exchanges, have borrowed \$5,751,467,610, or about three times as much money as there is in existence—have borrowed it from the bankers. From one end of the year to the other, the



IT KNOWS WHAT MONEY IS.

average of money thus obtained with which to make the exchanges is about three times the actual money in existence. There are about 12,804 of these banks, and from their reports to the Comptroller of the Currency, we get these facts. There are many other money lenders who are not bankers and who mainly loan on longer time, but the banks loan mainly to business men. What little they loan to other than business men is more than

offset by money the business men borrow from other than bankers.

"So that we find, in addition to the \$2,000,000,000 in existence, that has been issued from the Treasury, of money of all kinds, gold, silver, nickel, copper and paper, it takes as much as \$5,750,000,000 more to answer the purpose of the business men in making the exchanges of services and products. And, in order to get the additional \$5,750,000,000, the business men who are not bankers are paying to the bankers annually, in interest, the sum of three hundred and forty-five million dollars. It is this much, at the average rate of six per cent. Some are paying more than this rate and some less. It will average six per cent.

"You will naturally ask yourself the question, 'How can the banks loan \$5,751,467,610, when there are only \$2,000,000,000 in existence?' When I have answered that question you will understand why the money lenders want to hold down the supply of money.

"A bank loans, say, \$10,000 to the Revell Furniture Company. It takes the Furniture Company's note for that amount, deducts \$600 for interest at 6 per cent, which they call discount, and pays Mr. Revell \$9,400. The \$600, remains in the bank, the money of the bank, and Mr. Revell deposits the \$9,400 to his credit, on which he draws checks. So that none of the money has thus far passed out of the bank. A few minutes thereafter the manager, we will say, of the McClure Book Company, walks into the bank and asks for a loan of \$10,000. The bank complies with the request, takes the note of the McClure Book Company for \$10,000, takes \$600 out of the loan and hands the manager of the book company a slip to the paying teller for \$9,400. The book manager has the \$9,400 placed to the credit of the McClure Book

Company, sees that it is entered on his pass-book and walks out. Again the bank has retained \$600 and the \$9,400 is left in the bank to be checked on.

"Thus far not a cent has left the bank and the bank has made \$1,200. As the manager of the book company is leaving the bank, in walks, say, Mr. Kohlsaat, the publisher of a Chicago newspaper, and he, too, asks for a loan of \$10,000. The bank 'accommodates' him. He, too, signs a note for \$10,000 and gets a check on the paying teller for \$9,400, which he has credited to himself on his pass-book and walks out. The bank has now loaned \$10,000 three times, has received \$1,800 in interest, and not a dollar of the money has as yet left the bank.

"Usually business men borrow from the bank at which they keep their accounts. But whether this always happens or not, about 80 per cent of all money in existence stays in the banks. You may give a check on your account to some one who deposits it in another bank, but on the average the bank you use will have as much deposited during the day in money, and checks on other banks, as is drawn from it. Probably not to exceed an average of FIVE dollars per capita is carried by the people in their pockets; which for *seventy millions* of people means three hundred and fifty million dollars that is outside the banks. This leaves about \$1,650,000,000 that remains as an average in the banks. A little is filtering in and a little is filtering out, answering for pocket money, or temporarily for cash transactions requiring the money itself, but the bulk of the money, or as much as 80 per cent of it, remains in the banks. And in this way it is made possible for the bank to loan to the Revell Furniture Company, the McClure Book Company and Mr.

Kohlsaat each \$10,000, be \$1,800 ahead in the joint transaction and still have the \$10,000 on hand.

"It cannot repeat the process any further, as experience in banking shows that from 25 to 35 per cent of as much money should be kept on hand as there is on deposit; and the bankers have permitted Congress to say that 25 per cent of a reserve shall be kept on hand. If the original \$10,000, loaned, belonged to a depositor, say, by the name of John Smith, after the bank has loaned it three times, its books will show as follows:

|                                       |          |
|---------------------------------------|----------|
| To the credit of John Smith .....     | \$10,000 |
| To the credit of Revell Furniture Co. | 9,400    |
| To the credit of McClure Book Co..    | 9,400    |
| To the credit of Mr. Kohlsaat .....   | 9,400    |
| <hr/>                                 |          |
| Total amount subject to check...      | \$38,200 |

The bank will have John Smith's \$10,000 on hand, a little more than 25 per cent of the amount subject to check. If the original \$10,000 loaned, the three times, belonged to the bank, it will have in money about 35 per cent of a reserve. The bankers estimate that the money coming in and going out of their banks will about offset each other, but that in any event 25 per cent of cash on hand is sufficient leeway to be enabled at all times to cash the current checks of the day with actual money; except in time of panics causing runs on the bank. This they take chances on, but of late are devising a clearing house certificate plan so as not to be much disturbed by such a contingency.

"So we understand how it is that the bank takes \$10,000 and stretches it out three times and get 6 per cent on each transaction or 18 per cent in all on the actual amount of money used. And by deducting the

interest in advance, gets about 20 per cent, or about six and two-thirds per cent on each transaction.

"And," continued the little financier, "in this way the banks take the \$2,000,000,000 in existence in the United States, or rather the \$1,650,000,000, about, in the banks, and stretch it out like a piece of rubber, till it is \$5,751,467,610; and receive in discounts, about, three hundred and forty-five million dollars annually for performing the stretching process. One end of the rubber they are stretching is against the faces of the people and the bankers hold the other end—and, periodically, the bankers let loose of their end. The depositors think they have \$5,751,467,610 of money on deposit, but they have not. It is not money. The banks have loaned the same money three times.

"What all this means is that experience shows that it takes as much as \$5,750,000,000, added to the three hundred and fifty million, the probable amount in the pockets of the people, or in all about six billion dollars, to perform the exchanges of the people in the United States, and to get that much—a normal supply of money—the people are paying to the bankers, in interest, as much as three hundred and forty-five million dollars annually.

"You will thus understand why it is that the bankers are interested in holding down the quantity of money, of closing the mints to silver, or of otherwise limiting the supply of money. It is in order that they may supply the deficiency by loaning the same money over and over again and again. And this is only one of the ways in which the bankers are profiting by laws that work a benefit to their class."

Thus far COIN had proceeded without any interruption. Mr. John D. Laws, a bank president, here rose and vigorously propounded several questions. He said:

"Is it not a fact that by having banks in which to deposit money and the use of checks, in place of handling money, that the use of money is enlarged and business facilitated?"

"Yes," replied COIN, "but postal savings banks would answer the same purpose. And such a system would not cost the people any more than what the banks now collect



PERIODICALLY THEY LET LOOSE OF THEIR END.

in the way of exchange on drafts." Many of the people present lustily applauded this answer. And then COIN added: "We could have a normal supply of money, a place to deposit it in postal savings banks for safe keeping, draw checks on it, the same as now, and do away with a privileged class, that is imposing unnecessarily on our business men a charge of as much as \$345,000,000 annually; who are responsible for the demonetization of silver and otherwise meddling, interfering and clog-

ging a natural money supply." This also was applauded. But Mr. Laws remained standing.

"It makes no difference how large the volume of money may be," said Mr. Laws, "there would be men without it, or without sufficient at times, and they would have to borrow money to tide them over. And without banks to loan money there would be no elasticity to our currency? The banking system that we have is not an evil, as you make it, but a necessity and a benefit." He made this statement and paused, still standing.

"If we had a normal supply of money," replied COIN, "there would be no general necessity for borrowing money. And those who might require loans to tide them over should be allowed to borrow from the postal savings banks at one per cent per annum, the same rate at which the banks now borrow from the government." The quick retort of the little fellow flashed before the audience and then went home. There were many present who knew what he meant, as did the banker, and later on in the School this privilege of the bankers to borrow money from the government at one per cent a year, was explained. COIN had not finished with his answer, and proceeded:

"If there was a normal supply of money in existence there would not be that enforced borrowing that now exists, with such a tribute imposed on the people as is \$345,000,000, or more, annually. And if the postal banks loaned money, on approved collateral, such as the banks would loan money on, and loaned it at one or two per cent, it would be a better system than the one we now have. It would drive out of business the money lenders who could not compete with the postal banks at one per cent or two per cent, and would practically put an end to the class known as money lenders, except those who

deposit in savings banks for a rainy day. It would end the existence of a class of men who are imposing an assessment of as much as \$345,000,000, annually, on the business industry of the nation. You say," he continued, looking directly at Mr. Laws, "that your class is a 'benefit'? Your class encourages the borrowing of money at a rate, that as a rule, the net profits of useful business will not repay, and 'once in debt, always in debt,' with the debt increasing, is the rule. If a better system can be substituted for it, your class will not be missed. You are a nice people and an honorable set of gentlemen and we must continue to do business with you, more or less, until another system is adopted. It is not *you*, but the system, that is wrong. A system that has encouraged you to secure and defend the laws that profit your class. Your class does not make anything to eat or wear, and never made a blade of grass grow. You claim to be a necessary part of civilization in that you accommodate business men by receiving their money, cashing their checks, and loaning them money. But if another system can be substituted for yours that does all that your system does without the evil that your system is charged with, what objection could there be to it?"

"The postal banks," Mr. Laws replied, "would not be safely conducted as are banks of private ownership, and bad loans would be made, resulting in great loss to the government."

"You are wrong, for this reason," replied COIN: "Experience shows that the government bank examiners are a check on banks and that bad loans are quickly detected, as postal examiners quickly detect fraud in that service. And again, the temptation to reduce the reserve, that more profits might be made, would not exist in the postal banks, as is the case now with present banks. And again,

with a normal supply of money, there would be very little borrowing; and a higher order of integrity generally.

“We in America,” he continued, “ought to all agree that it would be good for England to pass a law that would break up the *entailed* estates and make it possible for more people to own homes. Do away with a landed aristocracy. And we ought to agree if there is good reason for it, that there should be a normal supply of money, and a class of men abolished who have it in their power to assess our people as much as \$345,000,000, annually. Thus making it possible for our people to get more money, the greatest agency there is, made by man, in civilization.”

“I would like to ask,” said Edward G. Renesch, a young man about 20 years of age, “if one per cent a year would pay the expense of the government connected with loaning money through the postal banks?”

“Yes,” replied COIN. “The government now loans to national banks money at the rate of one per cent per annum, and the one per cent more than pays all the expenses and risk connected therewith. It costs about two-fifths, and the banks are now asking Congress to reduce the rate from one per cent per annum to two-fifths of one per cent. And some of the banks want it reduced to one-tenth of one per cent. The one per cent per annum is ample to cover all expenses and risk incurred, when put on a business basis.

“The remedy,” he continued, “is postal savings banks, that will receive the savings of the people and pay interest at the rate of two or three per cent on savings of those who deposit their money, on long time, as is now done in savings banks. Reloan such money on long time at the same rate with one per cent added. And receive money deposited, subject to check, paying no interest thereon,

as is now the case in the present banks, and loaning such money to business men on short paper, 30 to 90 days, at one and not to exceed two per cent. The working people who would put their savings in the postal banks would be protected and not be subjected to risk and loss as they are now in the present banks. Our business men would get all the money their paper would warrant, at not to exceed two per cent, and probably at one per cent. And with a normal amount of money being in circulation there would be less borrowing."

Mr. Henry C. Simms of Huntington, West Va., now rose and said:

"The true principle of Democracy is to have as few laws as possible. Inhibitions and prohibitions, and a law-ruled people is the opposite of Democracy. The government should have a hand in as few things as possible and let the people run themselves. And for this reason I object to the government going into the banking business." And saying this he sat down.

"In the *main* you are right," replied COIN. "There are certain things, however, that the government must do. It is best that it should do so, and, where to do so encourages individual effort. Democracy consists in protecting the individual in enjoying life, liberty and happiness. It is in doing this that the government provides for money. The issuing of money is a government function. It guarantees a common medium of exchange throughout the nation. And, it is as important to protect the money as it is to make it. We are now a law-ruled people placed at the mercy of the banks. When you take away the laws from under the banks, they disappear. When you do so, we should be ready with a substitute, that everything may go off smoothly on putting in the new machinery. In the case of money, legal machinery

of some kind is necessary, and it is best to get better and more improved machinery than that which we now have. A democracy cannot get along without laws entirely. It must have a constitution and a few other laws; and the most important of all, is the law that provides for issuing and protecting its money. Either the government must run the banks or the banks will run the government."

A boy by the name of George Baldwin, sitting in one of the front seats, wanted to know if the postal banking system had not been established in England.

"What is called a postal banking system," replied COIN, "has been established in England, and the same system is being encouraged by the bankers in this country. It is this: Postal banks to receive savings and pay interest at the rate of 2 per cent; but the function of the postal banks to stop at that; to loan no money and take no money subject to every day checks. The national banks are interested in getting all the money deposited with them that they can, to reloan on the '18 per cent plan,' and they find that many people save money at home and will not trust it with the present banks. And, in time of panics draw their money out of the present banks. The bankers' plan of a savings bank—the same as that in England—is to get the people



BY GOSH, I WASN'T ON TO 'EM BEFORE!

who are afraid of the present banks to deposit it in the government's postal savings banks, thus having the government responsible to the depositors, insuring confi-

dence; and then having this same money redeposited by the government in the national banks. This is the way it is in England and the way the bankers want it in this country."

As COIN closed the last sentence, an old gentleman with long pointed chin whiskers who sat immediately in front of him was audibly moved and heard all over the hall as he pulled at the end of his beard and said: "By gosh, I wasn't on to 'em before!"

"The bankers," continued the little financier, "do not object to the postal banking system so long as it assists their system, but do object to it if it is to compete with them."

Here COIN was again interrupted, this time by Mr. Hamilton Myers, who said he was from Texas, with this question: "I do not understand clearly how it is that the banks loan the same money three times, and wish you would explain it again."

COIN again explained it, very much the same as before, but went further, as evidently from his preparation he intended to do when interrupted. Additional to what he had said is the following:

"According to the Treasury report just issued, the total stock of money in the United States, outside of the national Treasury, is \$1,963,716,148. I heretofore said it was about \$2,000,000,000, which was stating the sum in round numbers, and taking Mr. Gage's statement as true, for its full significance.

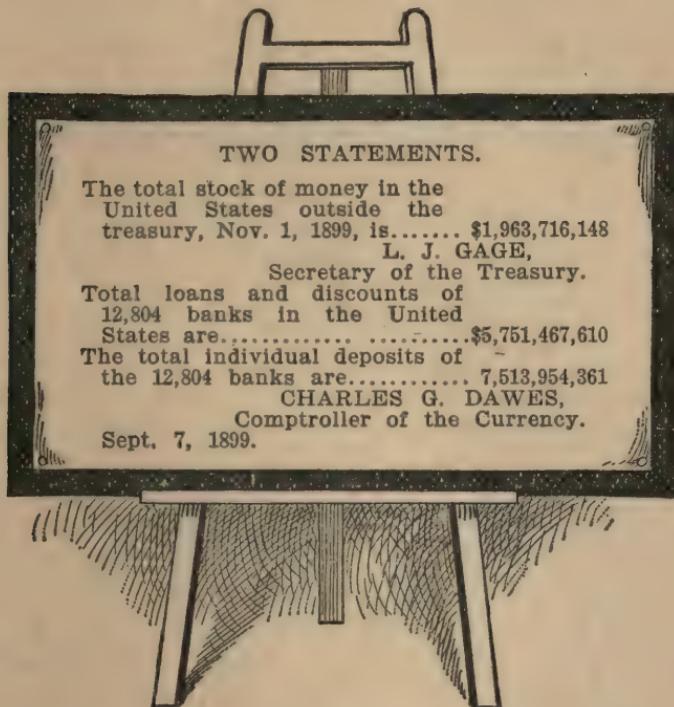
"Mr. Chas. G. Dawes, the Comptroller of the Currency, has recently issued his report and from it I read you the following paragraphs from pages 21 and 22:

"Number of banks, 12,804; total loans and discounts, \$5,751,467,610.

"Number of banks, 12,804; total individual deposits, \$7,513,954,361."

The little schoolmaster then took from his portfolio a card containing the three statements of national Treasury officials, and put the card on an easel. Continuing he said:

"I now ask any banker present how it is possible to take \$1,963,716,148 and make deposits with it to the



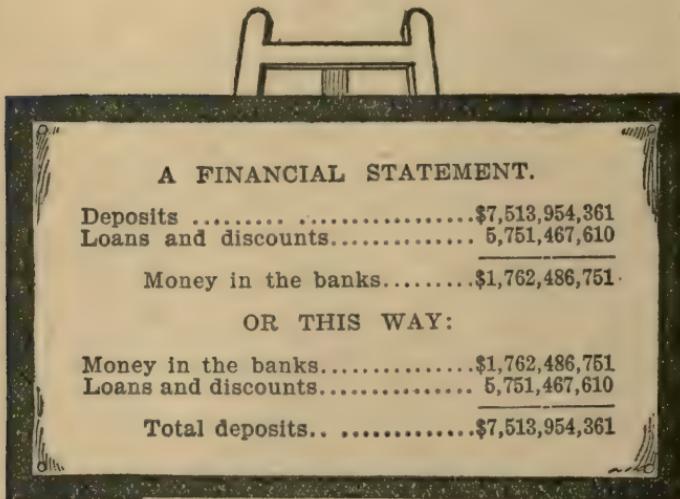
amount of \$7,513,954,361 in any other way than that which I have explained? And I put the same question to the daily newspapers that will appear to-morrow morning in this city."

No one answered the little fellow, though all were listening intently at what he was saying, and he had paused for a reply. He continued:

"If you will take the deposits, \$7,513,954,361, and de-

duct the loans and discounts, \$5,751,467,610, you will get the actual amount of money in the hands of the banks. I will show you the result," he said, and drew another card from the portfolio and put in on the easel.

|                           |                  |
|---------------------------|------------------|
| Deposits .....            | \$7,513,954,361  |
| Loans and discounts ..... | 5,751,467,610    |
| Money in the banks.....   | \$1,762,486,751. |



A FINANCIAL STATEMENT.

|                          |                  |
|--------------------------|------------------|
| Deposits .....           | \$7,513,954,361  |
| Loans and discounts..... | 5,751,467,610    |
| Money in the banks.....  | \$1,762,486,751. |

OR THIS WAY:

|                          |                 |
|--------------------------|-----------------|
| Money in the banks.....  | \$1,762,486,751 |
| Loans and discounts..... | 5,751,467,610   |
| Total deposits.. .....   | \$7,513,954,361 |

"The \$1,762,486,751 represents the quantity of money the bankers have stretched out by their process to represent \$7,513,954,361 on deposit with them; and in like manner are enabled to collect interest and discounts on \$5,751,467,610. Or another way to state it is this: The loans of \$5,751,467,610 placed to the credit of the bor-

rowers, added to the real quantity used, makes the total deposits \$7,513,954,361."

"Then, as I understand you," said Judge Dunne of Chicago, "it is really not money they loan, but credit?"

"Wind!!" yelled Mr. J. P. Vandusen, who sat in the rear of the audience.

"What they do," said COIN, "is to substitute credit for the money necessary to run the commerce and business of the nation, at an annual expense to the people, at present, of about 345 million dollars. A normal amount of money would take the place of the *credit* with no special privilege to this class of men, or such ruinous expense to the people.

"I will now take the case of an individual bank," he continued, "and show you how a bank can loan money at six per cent and declare dividends for more than six per cent."

"That's the stuff!" said John P. Hennessey, an ex-retail merchant in Chicago, who was sold out for debt after renewing his loans for many years with the banks.

"Mr. Lyman J. Gage," continued COIN, "is the present Secretary of the Treasury. We will take his bank, the First National Bank of this city. I will first put on the easel the statement of that bank just issued." He paused, and taking another one of the large cards, with letters and figures on it so large that all could see them from their seats, placed it on the easel.

"The statement, as you will observe," continued the little statesman, "does not give the dividends. I will now read you from a book issued by the Chicago Directory Company, entitled, 'Chicago Securities.' It says under the head of 'The First National Bank,' '*quarterly dividends of 3 per cent are paid*,' which amounts to 12 per cent

per annum. I will also state that *twelve* per cent is the usual, regular annual dividends of that bank.

"We further see from the statement, on the easel, that it has a surplus fund of \$2,000,000. A surplus fund, in a bank statement, means undivided profits. We also see that in addition to the \$2,000,000 undivided profits, it has 'other undivided profits' of \$505,855.67; or a total of undivided profits of \$2,505,855.67; or the equivalent of

| STATEMENT OF FIRST NATIONAL BANK           |                |                 |
|--|----------------|-----------------|
| ASSETS.                                    |                |                 |
| Loans and discounts.....                   |                | \$24,824,263.73 |
| United States bonds (par value).....       |                | 573,500.00      |
| Other bonds and stocks (market value)..... |                | 3,766,202.73    |
| Premium on United States bonds.....        |                | 54,218.75       |
| Due from banks (eastern exch.).....        | \$9,393,442.39 |                 |
| Checks for clearing-house.....             | 1,881,047.87   |                 |
| Cash on hand.....                          | 8,604,749.74   |                 |
| Due from United States treasurer.....      | 38,500.00      | \$19,917,740.00 |
|  |                | \$49,135,925.21 |
| LIABILITIES.                               |                |                 |
| Capital stock paid in.....                 |                | \$ 3,000,000.00 |
| Surplus fund.....                          |                | 2,000,000.00    |
| Other undivided profits.....               |                | 505,855.67      |
| Circulating notes.....                     | \$ 110,000.00  |                 |
| Less amount on hand.....                   | 110,000.00     |                 |
| Deposits.....                              |                | 43,630,069.54   |
|  |                | \$49,135,925.21 |

a special dividend of *eighty-three* per cent on its capital stock of \$3,000,000, with which it is carrying on its money lending business.

"The present First National Bank of Chicago was organized in May, 1882, and its shares of \$100 each are now worth \$330 each. You cannot buy it for less. So, we see by taking an individual case, how men of this class can make *twelve per cent* a year on their money invested

in this business, pay \$25,000 salary to their president, pay all other expenses, lay aside 83 per cent in undivided profits, and at the end of seventeen years be able to market their stock for three and three-tenths times its face value. There is no other business in the United States outside of the privileged classes that can make this remarkable showing. It is a business founded wholly on class laws for the benefit of bankers. Under such a law it is only a question of time when one per cent of the people will own all the property and 99 per cent of the people will be tenants."

Referring again to the First National Bank statement, COIN said: "From the \$8,604,749.74 cash on hand deduct the capital and undivided profits of \$5,505,855.67 and you have the amount of actual money on deposit additional to what belongs to the bank. You will observe that the 'loans and discounts' are just about *three* times the cash—showing that each dollar is loaned three separate times. Mr. Gage is now Secretary of the Treasury at Washington, and is doing all he can, with the influence the position gives him, to protect and further advance the laws that benefit his class, and enables them to manipulate the blood of civilization to their profit.

#### ONE PER CENT MONEY.

"Another special privilege this class of men has is to borrow money from the government at *one per cent per annum*. They have long had a law to that effect. Under the law they do it in this way: They take government bonds to the Treasury at Washington and borrow up to 90 per cent of their face value, money on which they pay ONE per cent per annum, continue to draw interest on the bonds and are exempt from taxation.

"Under this law a banker can take \$100,000 in govern-

ment bonds to Washington, on which he is drawing and will continue to draw, 4 per cent, with principal and interest exempt from taxation, will receive from the national Treasurer \$90,000 in money, and will pay one per cent per annum for the loan, or \$900 per year. He will bring this same money home and loan it three times over at from 6 to 8 per cent on each of the three transactions. And, after paying running expenses, will, if his bank is as fortunate as the First National Bank of Chicago, make twelve per cent, or \$10,800, each year on the \$90,000, with an additional profit covered into the 'surplus and undivided profit fund,' from which every few years it may declare a *special* dividend. Nor is this all. He will also be receiving in the meantime the *four* per cent or \$4,000 interest on the bonds deposited at Washington."

COIN was interrupted by a Mr. Racey, who had been sitting almost directly in front of the platform, but who was now standing, red in the face. Mr. Racey is a smooth, polished man and president of a bank as prosperous as is the First National Bank of Chicago, but was now excited and not in his usual pleasant mood. He said:

"Your statement is unfair, and there is no such profit on the money the banks get from the government as you state."

COIN interrupted Mr. Racey by saying: "Mr. Racey, I want you to answer me a few questions, and then I will answer all of yours. Is it not true that you do get money from the government in the manner I have described for *one* per cent per annum?"

"Yes," replied Mr. Racey.

"And is it not true that the Comptroller of the Currency has recommended to Congress to reduce the rate from

ONE per cent per annum to *two-fifths* of one per cent per annum?"

"Yes, something like that," was the reply.

"Now I will answer your questions," said COIN.

"In the first place," said Mr. Racey, "you have not stated that \$100,000 of these 4 per cent bonds costs to buy them \$113,125; that they are due in 1907, and when due will be paid by the government at their face value, \$100,000. Hence to get the bonds now and have the use of them for seven years, a premium of \$13,125 must be paid, which will be a clear loss at the end of seven years. There is also an expense of \$62.50 in connection with the transfer of the money."

"Let us dispose of the first proposition," said COIN, "before complicating it with the \$62.50. It is true that the \$100,000 in bonds will cost you \$113,125. And if you lost the whole of the \$13,125 premium it would be a charge of \$1,875 per year for each of the seven years, against the \$10,800 and \$4,000, or a balance of \$11,925 annual profit on an investment of \$113,125, to say nothing of special dividends from surplus profits. But is it true that you lose the \$13,125? Were that the case I would have embraced it in my first statement. This is the way you avoid paying it. When the bonds used by the banks for this purpose approach within seven, eight or ten years of maturity, the national Treasurer has each time recommended to Congress that he be granted permission to go into the market and buy the bonds at the market price; and this has been done. And it has relieved you of any loss. Mr. Gage is now recommending to Congress that he be permitted to do this with the 1907 bonds, the ones now mainly in use for the bank-borrowing purpose. He assigns the same reason for doing so as his predecessors have used before him. He says to

Congress that he can refund these bonds at 3 per cent interest, which will be a saving of *one* per cent per annum. On being granted permission he will buy the 4 per cent bonds at the market price, which usually stiffens at such a time; and then the bankers, in that way, unload their 4 per cent bonds for as much or more than the 13½ cents premium, losing nothing and substituting other bonds. Mr. Gage has not waited for the law he recommended; he is now in the market buying 1907 bonds. He has bought twenty-five million dollars' worth of them recently to relieve, as he claims, the money market, paying for them the market premium."

"But if the government saves one per cent by the transaction, is it not profitable for it to do so?" asked Mr. Racey.

"We were investigating your case, not the government's, to see whether it was true that the \$13,125, or \$1,875 per year, fell against you as a loss. It does not. The Secretary of the Treasury has each time saved it to you at the expense of the government—the people. We find him one year buying bonds and the next year issuing bonds. The new bonds issued are to take the place in your business of the old bonds bought at the premium. The statement that the government makes a saving of *one* per cent per annum for the seven years is also fiction. One per cent per annum for seven years on \$100,000 is \$7,000, but the government pays \$13,125 premium, which it would not have to pay if it waited till 1907, when the bonds are due. It could then redeem them at their face value; the \$13,125 would not have to be paid. While saving \$7,000, the government has lost \$13,125, or a net loss of \$6,125. Nor is this the only loss. The new bonds are to run twenty, thirty, or forty years. At twenty years, with 3 per cent per annum, it is \$60,000, as against 4

per cent for seven years, or \$28,000. At thirty years the new interest obligation is \$90,000, and at forty years it is \$120,000. The government has no way of reloaning its money at a profit at present, and such a transaction as Mr. Gage proposes is a damage and loss. The government should issue money and pay off the bonds when due in 1907 and incur no further obligation."

"In showing the profits to the bank," said Mr. Racey, "you, in your first statement, computed interest at 12 per cent on the \$90,000 the bank receives from the government. Six per cent and not 12 per cent is all the banks can now get for money and there is only a net profit to the bank on the transaction of \$779.88."

"I use 12 per cent per annum," replied COIN, "because the banks can make that much as in the case of the First National Bank. When you say 6 per cent is all you get, you do not take the people wholly into your confidence—how you loan and reloan the same money."

Mr. Racey was seemingly a mixture of excitement and confusion, and whether he had failed or not to meet the replies of the little teacher, there are thousands of other bankers who will take up the cudgel, but will each time find themselves up against the proposition that they borrow money at 1 per cent and use it in a business where they loan it three times. The bank president, however, had one more question to put, and he stated it with much confidence. It was this:

"The banks are only using the privilege of borrowing from the government at 1 per cent, at the present time, up to 207 million dollars, while they have the privilege of using it for a larger sum. If there is such a profit in it as you say there is, why don't they borrow more than 207 million dollars?"

"The answer to that," replied COIN, "is, that there are two other sums of money at the disposal of the banks that do not cost them as much as 1 per cent; that do not cost them anything. One is their own money, which they seek to loan first, and the other is their depositors' money, on which they pay no interest. After using these two, loaning them three times, if there be further demand for loans they next use the government 1 per cent money. The money that stands them nothing may take all the desirable loans offered; or, in addition thereto, they may use to advantage 60 or 80 per cent of what they can borrow from the government, at 1 per cent, and no more. There is a limit to the desirable loans offered, and the fact that all the 1 per cent money privilege is not exhausted, is no reason to justify the privilege. You could offer to loan me money at *one* per cent and my not taking it would not mean that it was not a low rate of interest. If the government offered *one per cent* money to farmers, it would not be just unless they offered it to all alike who could give ample security. You can only establish a true government with *equal rights to all and special privileges to none*. National banks to whom this privilege is granted are by law not allowed to loan money on real estate, and are limited to collaterals and personal notes of not to exceed ninety days, which may be renewed, and there is a limit to the demand for business loans; and when that limit is reached, the 1 per cent money is shut off."

Mr. Racey now asked this question:

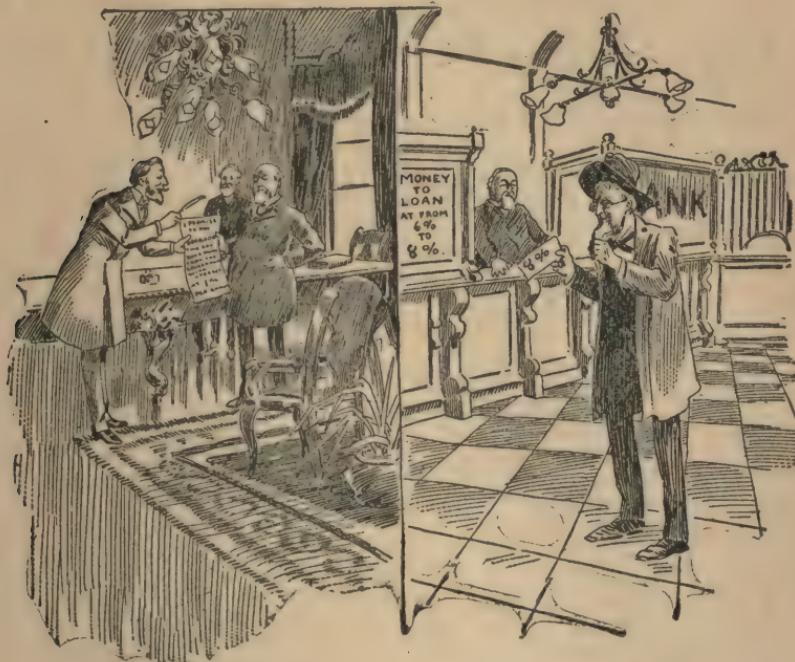
"If there is such a profit in banking, why do banks sometimes fail?"

"When a bank fails," replied COIN, "it is because of bad or reckless judgment in making loans or the use of the bank's money in speculation in stocks or on the board

of trade or other forms of gambling. Very few of them, however, fail compared with failures of other vocations; and in the aggregate go on amassing wealth."

The bank president had taken his seat and COIN continued:

"The statements I have made are unanswerable. The advocates of the political party that sustains our present financial laws will not meet the advocates of our cause



HE GETS IT AT 1  
PER CENT.

HE LOANS IT AT FROM  
6 TO 8 PER CENT.

in debate. You may challenge them and they will not accept. They know that their cause will not bear investigation. They have heretofore succeeded by answering the advocates of human liberty and industrial emancipation with abuse, ostracism, dealing in mystery concerning the financial question, and aided by a consciousness on the part of the business men that they will not be able to

obtain loans if they antagonize the bankers? This last is the most powerful influence of all, as money is so necessary to a business man's existence, that in the absence of a normal quantity of it in circulation he is at the mercy of those who have hoarded the money for the purpose of loaning it. To such an extent is this true that every man is, more or less, a moral coward in the presence of his banker. It is because money is a necessity to civilization. When a class of men control it, the members of that class have a powerful influence in controlling public sentiment, a power they will lose when our business men understand the money question.

"Let me warn you, however, toward allowing any feeling of bitterness or resentment on your part toward these men. Their responsibility for the many evils that have come upon the land is great, but let that responsibility be to God alone! It is the system that we must deal with and not the men engaged in it! The people are the victims of a system and the men engaged in the working of that system are not responsible for it. It was here when they were born. Had you been raised and educated in business as they have been you would probably be as they are. Faith, hope and charity are necessary for our success in this struggle—Faith in the rectitude of mankind, Hope that we may be encouraged, and Charity for the faults of others!"

This ended the school for the day. Class legislation in the United States had been attacked. The audience that rose from the seats was divided in sentiment and emotions.

## CHAPTER III.

### THE THIRD DAY.

On Wednesday morning, the morning of the third day, the daily Chicago papers, representing the privileged classes, broke forth in all their fury. So long as it was a foreign class law that was being discussed, as on the first day, they were unconcerned. But now it was different. All the venom and spite of conscious wrong was to be hurled at the champion of the common good. The mailed hand of the money power was ungloved.

The Inter Ocean, owned by Mr. Yerkes, whose fortune is based upon special privileges to the street car companies of Chicago, showed passion and spleen. The Tribune, that has long been the special organ of the privileged classes, was bitter and abusive. The Times-Herald, that claims to be the personal organ of Mr. Mark Hanna, the iron trust magnate, seemingly could not find words sufficiently strong to express its disapproval of the little statesman. It is true that neither of these papers represented the money power, theirs was other class interests, but in the assault the little fellow had made on special privileges to one class, the money power, it was foreseen that they were all to be exposed. And they snarled because one of their kind was being disturbed.

The Record was more mild. The Record and its evening edition, the News, is owned by a Mr. Lawson, a stockholder in one of the largest national banks in Chicago. His idea of controlling the masses is to give them *news*, and to have no editorial opinion on politics till a few days before the election. His instructions to his edi-

tors are to write judicial and conservative editorials; and, about two weeks before an election, the news columns are shaped to assist the political party that favors the banks. This is followed, a few days before the election, by vigorous editorials on the same line. This is Mr. Lawson's policy for controlling the people whose backs are bent with burdens laid upon them by the privileged classes. So, as might have been expected, the Record's editorials were conservative. None of the papers accepted COIN'S challenge to explain how it was, if he were not right, that \$7,513,954,361 deposits could be made in the banks with \$1,963,716,148 of money in existence.

Among the people, however, in Chicago, the sentiment was divided. Throughout the city groups of citizens might be found discussing, inquiring and demonstrating how it was that a banker could collect interest three or four times on the same dollar.

Probably not to exceed one-tenth of the people in Chicago, prior to that day, knew that the national banks were borrowing money from the government at one per cent per annum. A greater proportion of the country people knew of it, as with them it is more of a custom to study questions of state. And, as in the case of the *eighteen* per cent collected by the banks, on the one hand, which amazed the Chicago citizens, they were no less amazed on the other hand at the *ONE* per cent paid by the banks for money secured from the government.

The same audience as on the first and second day was in the seats at the beginning of the third day's lecture, and more than a thousand people were in front of the building anxious to gain admittance. Had it not been generally known that those attending the first day had been given seats for the succeeding days it is probable as

many as ten thousand people would have been clamoring for admission.

COIN promptly appeared on the platform at the regular hour for opening the School. He seemed in no wise disturbed by the newspaper abuse of which he was the subject. He said:

"We have seen what a factor in civilization money is, that it is so necessary that there can be no civilization



THEY SNARLED BECAUSE ONE OF THEIR KIND WAS  
BEING DISTURBED.

without it. As blood carries nourishment to and builds up the physical structure, so does money ever passing through the hands of the people distribute the products of the earth, building our homes and towns and cities—that it is well named 'the blood of civilization.' And that when this great agency is disturbed and impeded in its progress, or circulation, that civilization may be checked and dwarfed; and were it largely or wholly diverted from its

mission, confusion and disorder might naturally be expected.

"We have further seen how a class of men are trading in this blood of civilization for profit. And how, in order to make more profitable their business, they have sought to hold down a natural supply. And, again, how they have succeeded in inducing the government to let them have the special privilege of borrowing money at one per cent per annum while imposing upon the people from 6 to 10 per cent for its use. We are now to go further with the study of this subject.

"You, all, know what debts are. If you owe some one a debt, and cannot pay it, he may sue you and get judgment and the sheriff can come and take your home, if you have one, or other property, and sell it and deprive you of it. Or it may be a mortgage or trust deed that you have given on your property to secure the debt, and if you cannot pay the debt, the sheriff or trustee can sell the property and take it from you. And if the property does not bring sufficient at the public sale to pay the debt your creditor can take a deficiency judgment and follow you as long as you live and have the sheriff take other property from you should you get it.

"It is to the interest of all that when a debt is made that it should be paid. If A cannot pay B, B is less able to pay C, and C, counting on the money from B with which to pay D, and not getting it, is also injured. If from any fault, not their own, many citizens are unable to pay their debts and are thus deprived of their homes, much unhappiness may result. And should they grow despondent, it may result in their becoming undesirable citizens. Insanity may thus result. And should it so happen that in communities scattered all over this nation numerous people, *without any fault of their own*, be put in

this condition, it would be a great injury to the nation. As sores are on the body of a man, so might we say that these poverty-made communities are sores on the body politic. For it would bring discouragement to such people and discouragement breeds crime. To some it would bring despondency and that might mean suicide or insanity.

"I am now about to show you how a people may be reduced to tenantry and poverty through financial laws, while in ignorance of the effect of such laws.

"If the people generally happen to be in debt and the price of the property on the sale of which they are depending with which to pay the debts, remains steady or advances in price, they may be easily able to pay the debts,—also their taxes, and feel happy and encouraged. But if, on the other hand, the price of their products on the sale of which they depend to pay what they owe should decline in price, they may be unable to free themselves of their debts; the sheriff may come and take their property and they become discouraged and rendered homeless.

"A general decline in the price of property, or services, resulting in loss of homes and tenantry, may be brought about in either of two ways through financial laws. One is, laws that encourage the hoarding of money, diverting it from the purpose for which money is intended—a medium of exchange. The other by laws demonetizing or discrediting any portion of the money, without a sufficient substitute therefor, which results in confusion and contraction of the supply."

COIN here paused, and taking from his portfolio a card containing these two propositions, placed it upon an easel, putting a tack in each of the four corners of the card.

"We price all property in money," he continued.

"When you sell your wheat you get so much per bushel; if you try to sell your house you find that you can get so much money for it. What regulates the price is this: It is the quantity of *property* in the market in search of *money*; and the quantity of *money* in the market in search of *property*."

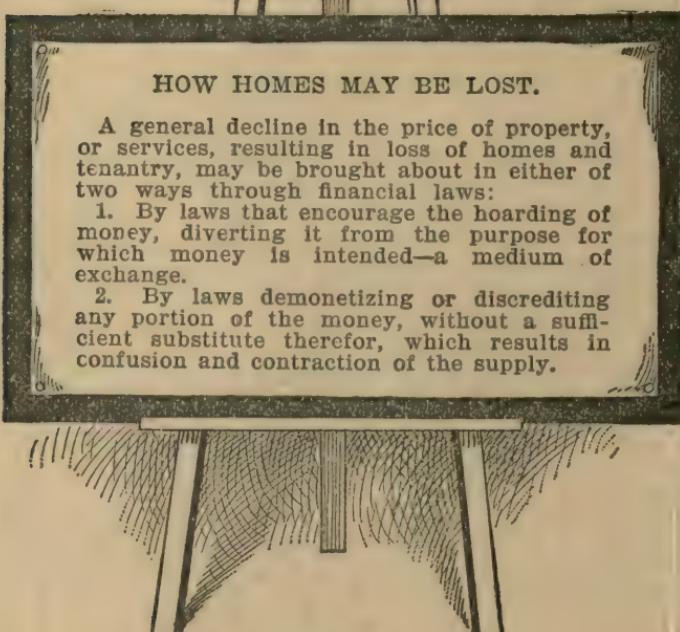
The little schoolmaster paused again and said that he



#### HOW HOMES MAY BE LOST.

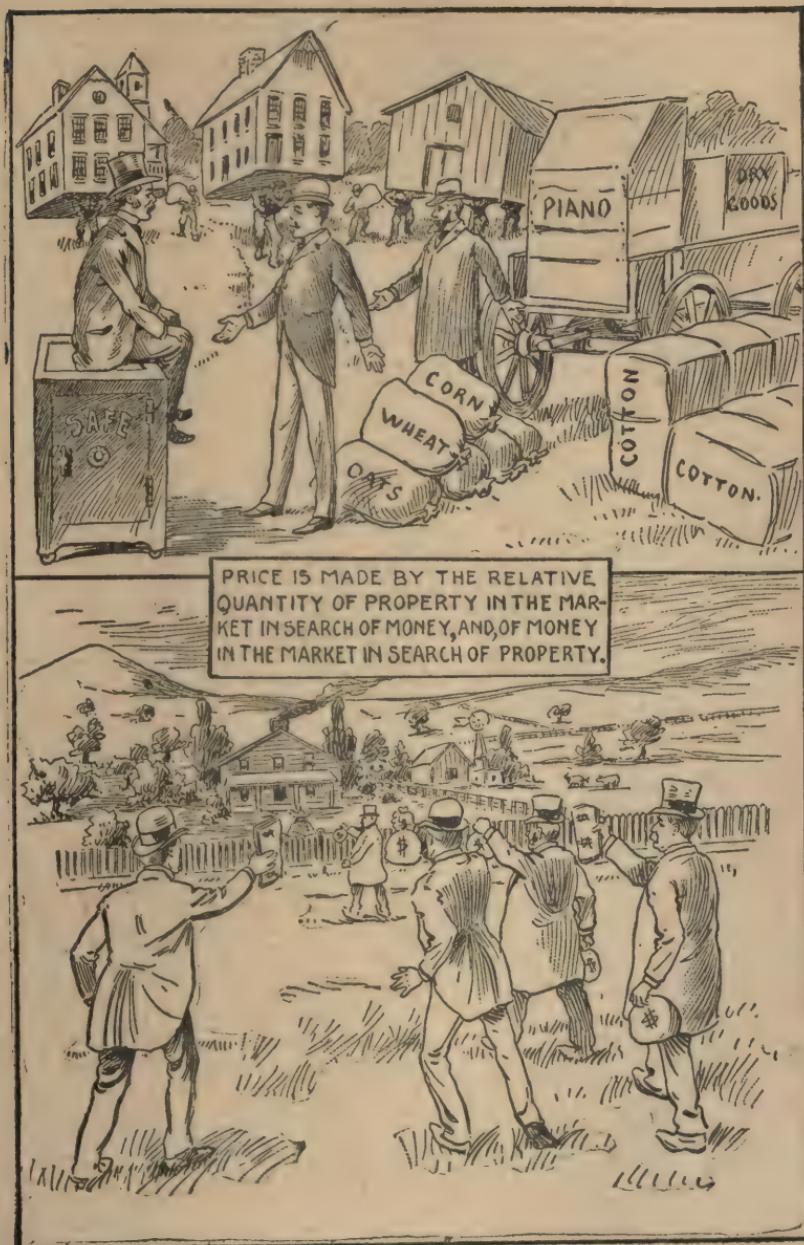
A general decline in the price of property, or services, resulting in loss of homes and tenantry, may be brought about in either of two ways through financial laws:

1. By laws that encourage the hoarding of money, diverting it from the purpose for which money is intended—a medium of exchange.
2. By laws demonetizing or discrediting any portion of the money, without a sufficient substitute therefor, which results in confusion and contraction of the supply.



wanted them to remember what he had just said, and for that purpose he would distribute a souvenir among them; and handing to several boys who attended him packages of these souvenirs, they were distributed in the audience. A picture of it is here reproduced.

"You will observe," he said, "that in the first instance numerous people are taking their property into the market seeking money, and evidently little money is in the market to buy their property. In this instance the people are



competing with each other and offering their property at a low price to induce the man who has the money to buy from the one in preference to buying from the others. The money the man has for investment will not buy all their property. Each of them knowing this and wishing to be the one who sells, offers more and more property for the money. When this is the case, the price of property is low and money buys much more than at other times.

"In the lower half of the picture we see where, for instance, there is only one farm in a county for sale and there are numerous people who have money wishing to buy a farm. In this instance the people who have the money and wishing a farm are competing with each other as to which one shall get the farm; and this makes the farm bring a higher price than it otherwise would.

"So, that we see that it is the relative quantity of *property* in the market wishing to exchange for *money*, and the quantity of *money* in the market wishing to exchange for *property* that influences prices. And any law that encourages the hoarding of money for use other than that of a *medium of exchange*, the purpose for which money is intended, lessens the quantity of money in the market in search of property and results in a fall of prices for property.

"The business of bankers is to loan money, and not to invest it. Money to loan is not money in the market in search of property. The owners of property, wishing to sell, may go to a banker who has much money of his own stored in his bank vaults, and may offer their property very low, but the banker does not want it. His money is money to loan, and it is not money for investment until a borrower gets it from him. Any law that encourages the loaning of money, except as a saving for the day it is

needed, for one's comfort, is a law that encourages money to be diverted from the purpose of a *medium of exchange* —the purpose for which money is intended. It will cause a fall in the prices of property and suits for debts and foreclosures of mortgages, and bankruptcy in business, and loss of homes.

"All of the money belonging to banks and to men who make a business of loaning money is money out of the in-



HE DOES NOT WANT THEIR PROPERTY.

vestment market—it is not money in the market in search of property. It becomes investment money only when in the hands of a borrower, returning a tribute to the money lender. In estimating the quantity of money in existence the owners of which are likely to buy your property, you should deduct all of the money belonging to money lenders who make the lending of money their business.

"Their business is based on laws enacted for their bene-

tenantry, with the other one per cent of the people, who have loaned the money, owning the property. You will then have a nation full of tenants and dependants.

"The other way in which financial laws may bring about a similar condition is laws demonetizing or discrediting any portion of the currency without a substitute therefor, causing confusion and contraction of the supply.

"It has been a custom to have different forms of money. For centuries money was made from two metals—silver and gold—and the supply of money depended on the production of these two metals. It was only recently that it was discovered that money could be made by a government using paper. This is done by printing a promise of the government on the paper used, agreeing to receive it again in the payment for taxes or anything due the government. This makes a demand for it. Two billion dollars can be thus used in this country annually. We could maintain that much paper money at par with gold at the present time. Before paper money was brought into use the two precious metals were exclusively used in making money, on the supposition that something would have to be used that has an exchangeable value, independent of its use as money. That is true now as between citizens of different nations. As between such, by common consent, one or both of these metals are used as money and accepted by weight. But as between citizens of the same nation paper money is found to answer the same purpose as metallic money. The reason for this is that the paper money may be made to answer in paying all forms of taxes and also private debts, and the demand for its use for these purposes gives general satisfaction to the people in the nation where it is thus used. It therefore makes as good a medium of exchange as metallic money. And the quantity may be much more easily kept at a normal sup-

ply than to depend on the uncertain production of precious metals.

"The fact that the government is willing to receive the paper money for all taxes, including the states and cities, makes a demand for about two billions annually, to say nothing of the government standing ready to redeem its paper money in postage stamps. This gives it a value and makes it answer the same purpose as the other two forms of money. Up to this amount, two billion of dollars of paper money, there should be no dispute or disagreement and would not be, were it not for the money dealers confusing the people.

"All three forms of money are now used in the United States, gold, silver and paper money—the latter two as representative money, and in quantity about 400 and 600 million dollars, respectively. Prior to 1873 the mints were open to coin into money all the silver and gold that came to it, and the supply of the two metals not making sufficient money, paper money was also used. But in that year a law was passed to close the mints to silver, except in limited quantities for use as token money. The law of that year fixed the only legal unit or dollar to be made of 23 2-10 grains of gold; and by a construction since placed on that law all forms of money other than gold is to be redeemed in gold when demanded. It is construed to be the law at the present time. The law spoken of thus demonetized silver, and much confusion has ever since resulted from it.

"This law, as construed, classified money into two kinds—gold as redemption money, and all other forms of money, which includes paper money, silver, nickel and copper, all coined in limited quantities, in a class to itself called representative or credit money. However, the only difference in the law since 1873 and prior thereto is

that before 1873 gold and silver both were redemption money; except for several years, as the result of a war paper money only was used, and which redeemed itself. There has never been enough gold and silver produced in the world to make a normal supply of money.

"The stock of gold available for money in the United States at the beginning of the present year, as estimated by the Secretary of the Treasury, is \$945,798,788. This quantity makes little less than a billion dollars, whereas something like six billion dollars is necessary for a normal supply of money. Under the gold redemption system only about one billion of other forms of money can be kept in circulation on the present amount of gold. This means a total of about two billion dollars at the present time of money of all kinds that can be maintained in circulation under the gold standard—under the present system; whereas as much as six billion dollars is necessary, and the two billion must be kept constantly loaned three times over to meet the demands of business for the use of money.

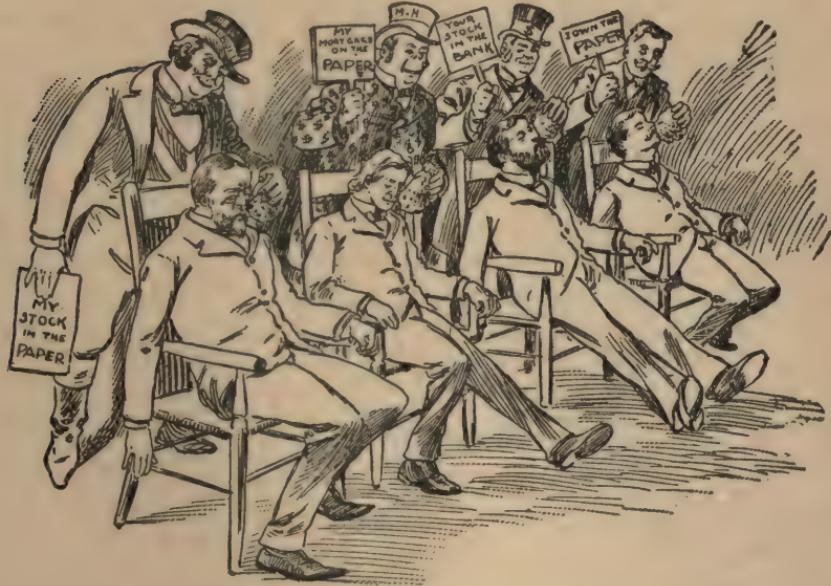
"So long as we insist on two kinds of money, redemption money and representative money, the latter representing the first, the quantity of the former will control the amount that can be issued of the latter. This is a great hindrance to getting a normal quantity of money; and must make general confusion at times, as it *has* several times, by causing a run on the government for the redemption money, gold,—resulting in a contraction of the supply of representative money and a panic.

"With gold and silver both as redemption money, twice as much representative money could be made as with gold only as a basis. Provided we had to discredit any of our money by calling it representative money.

"It so happened that only a few knew when the law

passed, demonetizing silver; and when it became known a great cry went up from the people, that has lasted ever since."

The little statesman was giving recent history of money legislation, and all, especially the boys, were interested in hearing him. A little fellow by the name of Walter Darby, about twelve years of age, here asked COIN what



CHLOROFORMING EDITORS.

the free coinage of the two metals meant. The reply was:

"It is the mints open to mould into coins all of either of the two metals that comes, and handing the coins back to the person bringing the metal, with  $37\frac{1}{4}$  grains of pure silver in a silver dollar, and  $23\frac{2}{10}$  grains of pure gold in a gold dollar, or about 16 times as much silver in a silver dollar as of gold in a gold dollar. This is what 16 to 1

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means. The government coins the money because of the necessity of money to society, and to insure its quality."

Little Samuel Darby, the brother of Walter Darby, then asked the boy lecturer to tell about how the money dealers demonetized silver, and COIN continued:

"In 1873, the bankers, as now, were supposed to be the only men who knew what financial laws we should have. The Congressmen felt that way about it, and knowing little or nothing about financial laws themselves, were inclined to let the bankers say what was best. The early principles of the Republic had been forgotten, partly because of a great war that had arisen between the states and engrossed the minds of the people.

"The bankers, some of the leading ones, of London, England and New York City, had determined to get silver demonetized if they could by taking not to exceed two or three Congressmen into their confidence. They called it a Mint bill, and so worded it that a slight change of a few words at the last minute made it demonetize silver without the knowledge, at the time, of any but the conspirators, as they have since been called." (See publishers' note below.)

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A full history of the demonetization of silver and a popular treatise on gold and silver as money may be found in "Coin's Financial School," and "A Tale of Two Nations," by the same author. Both books are fascinating reading and hold the attention of the reader with wonderful interest. "A Tale of Two Nations" is so intensely interesting that ladies have been known to commence reading it after supper and to continue reading it all night, finishing it about breakfast time.

After the appearance of these two books, Mr. Harvey, the author, was challenged by a committee of bankers and business men of the opposite opinion to meet Hon. Roswell G. Horr, a former member of Congress, a debater of national reputation, and at the time financial editor of the New York Tribune, in debate, as to the truths and facts stated in COIN'S FINANCIAL SCHOOL. The debate came off in the summer of 1895, in the audience room of the Illinois Club in Chicago, and lasted nine days, of three hours' session each day. The debate was taken

"They were afraid of allowing their plans to become known, as silver coins had been the favorite money of the people. The people's savings had been mainly in silver coins, and it was no uncommon thing to find stockings full of it, or in some other receptacle, stored away and hidden in the homes of the plain people. The people, as a rule, did not like gold coins for use as money, and gold coins became known as the money of the rich. There were several reasons for this. The smallest size gold piece we have is a five dollar coin, while most of the purchases of the people are for smaller sums than that amount, making the silver coins more convenient. A five dollar gold piece is about the size of a nickel 5-cent piece, and many people have, by mistake, spent a five dollar gold coin for a nickel; and this also served to prejudice them against gold money. They found, also, that gold coins were softer than silver, and, by wear, lost in weight; and often when spending it it was weighed on them and a deduction made for the loss, something that rarely happens with silver coins.

"So when the people discovered that their favorite money had been demonetized,—the mints closed to it except in limited quantities, and its power as real or redemption money taken away—they were very indignant, and

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down by shorthand reporters and an official report of the same is published in book form. These books may all be had through book stores or by ordering them of us.

In this debate, Mr. Harvey drove Mr. Horr from every position he assumed; and on the third day, on the subject of whether silver had been secretly and surreptitiously demonetized, Mr. Horr was forced to silence and to abandon the subject, to the great chagrin and regret of the friends of his cause. That the gold standard is indefensible was clearly shown by the admitted rout of its chosen advocate and ablest debater in the United States. The gold standard is, nevertheless, still defended and being further hedged and protected by national legislation, though indefensible in open discussion, which indicates the secret and immoral power of the privileged classes to establish and maintain unjust class legislation.

politics have been convulsed, more or less, ever since, over its restoration on equal rights with gold. The people, however, have not succeeded in its restoration, and the influence of the money lenders who brought about the change is as strong with the President and Congress as it ever was. We will see later how the money dealers exert what seems to the people a mysterious influence with Congress and the President.

“With gold and silver both used as redemption money,” he continued, “and the mints open to coin all the silver that comes, as they are now open to coin all the gold that comes, we could have about two billion dollars of coin money; and this quantity would support in circulation an equal quantity of representative money made from paper—making four billion dollars in all. We would still, however, be short of a normal supply of money, to say nothing of how much of this money would be hoarded by the money lenders and diverted from its true purpose.

“Prior to 1861, periodical panics came about from two reasons. One reason is that already given—the hoarding of money by money lenders solely for that purpose, which at times reduced the amount in the market for investment more than at other times, and brought falling prices and what is known as panics. The other reason was that prior to 1861, among the different kinds of representative money, was state bank issues of paper money, redeemable in gold or silver. It was not under the general regulation of the national government, as now, and state laws were very loose as to how much paper money their banks could issue; and it resulted in large overissues of paper money, redeemable in metallic money, till the people would, at times, lose confidence in the state banks to redeem it in gold or silver; and at such times there would begin a run on these state banks to have the paper money cashed with

'hard' money, ending in frightening people as to all banks that had issued paper money, to a run on them all,—and a general panic—just as our representative money may now be used for a run on the national Treasury.

#### HOW PAPER MONEY WAS USED.

"In 1861 the war between the North and the South began, and there not being enough gold and silver, with the issue of an equal quantity of paper money, to carry on the war, gold and silver and the redemption money idea were abandoned, and paper money only was issued by the national government, in no wise redeemable in metallic money, but accepted by the government in payment of taxes and made good in payment of private debts. It was found that that kind of redemption was all that the people wanted. In this way more money was issued than could have been issued on the other plan. Enough was thus obtained to carry on the war and general prosperity also came to the people. The money was all of one kind and no confusion resulted in the way of runs on the government or banks to redeem one kind with the other. This exclusively paper money, for several years circulated solely in the Northern and Western states, as the other states had claimed to have gone out of the Union, and was at war with the national government. It gave, while this was the case, about \$50 per capita for the states, the people of which were using the new money.

"While this new money, paper-money, was exclusively in circulation in the United States, it gave more gold and silver for use in exchange between nations; and during that period we did a larger business, in proportion to population, than we ever did before or have done since we went back, as we did, later, to the old system. The money changers did not molest the new system of using all paper

money while the war lasted, except to get a law passed that they, the money lenders, on their loans of paper money to the government, were to be paid their interest in coin money, and their loans when due also in coin. But as soon as the war was over the bankers began organizing to get back the old system where they could the more readily control the currency; and they not only succeeded, but went further and got silver demonetized.

"During the four years that the paper money was undisturbed, 1861 to 1865, general prosperity came to the people, and home owners multiplied rapidly. The money was being paid out to the soldiers and sent home and to those supplying the army. It was all money in the market in search of the comforts of life. A very small proportion of it had as yet gotten into the hands of the money lenders; it was in circulation and answering the needs for which money was intended. You will find some one now living in each community who will tell you of the prosperous times that then existed. Failures in business became almost unknown, and with some improvement that might have been added, failures might have almost totally disappeared. I am now going to distribute among you a printed table showing the business failures for 42 years, that you may study it in connection with this subject. You will observe how few the failures were when something like a normal supply of money went into circulation so rapidly that the money lending system had not time to absorb it.

"This table of failures is taken from reports of Dun's Mercantile Agency, as it appears in January numbers of Dun's Review; as also appears in Statistical Abstract for 1896, page 348, and continued in the Statistical Abstract for 1898, page 371."

COIN was here interrupted by Richard Lynthacum, the

managing editor of the Evening Chicago Journal, who said: "I can see the force of what you say as to certain causes diverting money from circulation, and falling markets when money is hoarded, at times of runs on banks and during panics; but should the people of necessity be in debt?"

## FAILURES

### IN THE UNITED STATES FOR FORTY-TWO YEARS.

| Year.     | Fail-<br>ures. | Amount of<br>Liabilities. |
|-----------|----------------|---------------------------|
| 1857..... | 4,932          | \$291,750,000             |
| 1858..... | 4,225          | 95,749,000                |
| 1859..... | 3,913          | 64,394,000                |
| 1860..... | 3,675          | 79,807,000                |
| 1861..... | 6,992*         | 207,210,000               |
| 1862..... | 1,652*         | 23,049,000                |
| 1863..... | 495*           | 7,899,900                 |
| 1864..... | 520*           | 8,579,000                 |
| 1865..... | 530*           | 17,625,000                |
| 1866..... | 1,505          | 53,783,000                |
| 1867..... | 2,780          | 96,666,000                |
| 1868..... | 2,608          | 63,694,000                |
| 1869..... | 2,799          | 75,054,054                |
| 1870..... | 3,546          | 88,242,000                |
| 1871..... | 2,915          | 85,252,000                |
| 1872..... | 4,069          | 121,056,000               |
| 1873..... | 5,183          | 228,499,900               |
| 1874..... | 5,830          | 155,239,000               |
| 1875..... | 7,740          | 201,060,333               |
| 1876..... | 9,092          | 191,117,786               |
| 1877..... | 8,872          | 190,669,936               |
| 1878..... | 19,478         | 234,383,132               |
| 1879..... | 6,658          | 98,149,053                |
| 1880..... | 4,735          | 65,752,000                |
| 1881..... | 5,582          | 31,155,932                |
| 1882..... | 6,738          | 101,547,564               |
| 1883..... | 9,184          | 172,874,172               |
| 1884..... | 10,968         | 226,343,427               |
| 1885..... | 10,637         | 124,220,321               |
| 1886..... | 9,834          | 114,644,119               |
| 1887..... | 9,634          | 167,560,944               |
| 1888..... | 10,679         | 123,829,973               |
| 1889..... | 10,882         | 148,794,337               |
| 1890..... | 10,907         | 189,856,964               |
| 1891..... | 12,273         | 189,868,638               |
| 1892..... | 10,344         | 114,044,167               |
| 1893..... | 15,242         | 346,779,889               |
| 1894..... | 13,885         | 172,992,856               |
| 1895..... | 13,197         | 173,196,060               |
| 1896..... | 15,098         | 226,096,834               |
| 1897..... | 13,351*        | 154,332,071               |
| 1898..... | 12,186*        | 130,662,899               |

\*War period, when more money was put in circulation.

Is it not their own fault that they are in debt? It requires two things to deprive them of business and homes—one is falling prices, and the other the owing of debts at such a time. Is it not their fault if in debt? And could they not avoid being in debt?"

"The answer is this," replied COIN. "Taxes are an ever existing debt. As we have seen, in order to have a normal supply of money, our business men either have to borrow from the banks a sum amounting to nearly six billion dollars, constantly, or not do the normal business for which there is a demand. This much of a debt exists

in addition to taxes that could not reasonably be avoided. But additional debts to these are forced, involuntarily, in many ways on the people during a long period of continuously falling prices.

"A merchant finds business unprofitable when he must mark down his selling prices to meet those of his competitors who purchased yesterday. Such a condition results in breaking up factories and throwing numerous people out of employment, who must borrow on their homes, or as best they can, till they can again find profitable employment. Money is a necessity and to the one who has it not, and has property on which to borrow it, he goes involuntarily and secures the loan, even as the mother will pawn her shawl and wedding ring to secure money with which to buy bread. During a period of falling prices people are forced into debt, by not getting as much money in return for their products as they would otherwise have received. The making of debts, at such a time, extends beyond business men to all classes of people."

"I guess you are right," said Mr. Lynthacum, from his seat, and the little teacher proceeded:

"We have seen thus far, how laws affecting the quantity of money in circulation may bring distress and tenantry to an industrious and what would otherwise be prosperous people. The effect is, also, to force people out of an independent business into the ranks of the wage earners, increasing the supply of labor, necessitating labor unions and resulting in strikes and riots. When people are broken up in business they then seek employment from others, resulting in the labor market being overcrowded. The same is true as to clerkships and all classes of employment.

"What we learn from it is this: First, there should be a normal supply of money. Second, there should be no laws fostering any business that hoards and diverts money from its true purpose. Third, there should be no such thing as redemption money and representative money as

distinguished from each other. Each dollar should be as good as every other dollar, and all stand equally in favor with the national government. It should be unlawful, as against public policy, to make a debt payable in any one of the forms of money, so no special demand would apply to either, but to all alike. Use gold and silver as money, but let them be simply as money and not as redemption money; and paper money accepted by the government, national, state and local, for all taxes and other dues the same as gold and silver is accepted.

“Under the first, a normal supply of money, civilization would spring forward with amazing strides. Under the second, no laws to divert money from its civilizing function, a continued existence of general prosperity would exist. With the third change suggested there would be no necessity for a reserve fund of \$100,000,000 in gold in the national Treasury, which is now money hoarded for an unnecessary purpose that should be in the channels of trade, answering a useful purpose. Nor would there be any panics, as by the present system, by sudden contraction of the supply incident to representative money going into the banks, or national Treasury, demanding in return gold.

“As before stated, by not studying money from the standpoint of civilization, but by allowing men who deal in it for profit, to study it for us, we have the present system. What is its effect? that of the present system on the development of the human race? And what are we to expect from its continuation in the future?

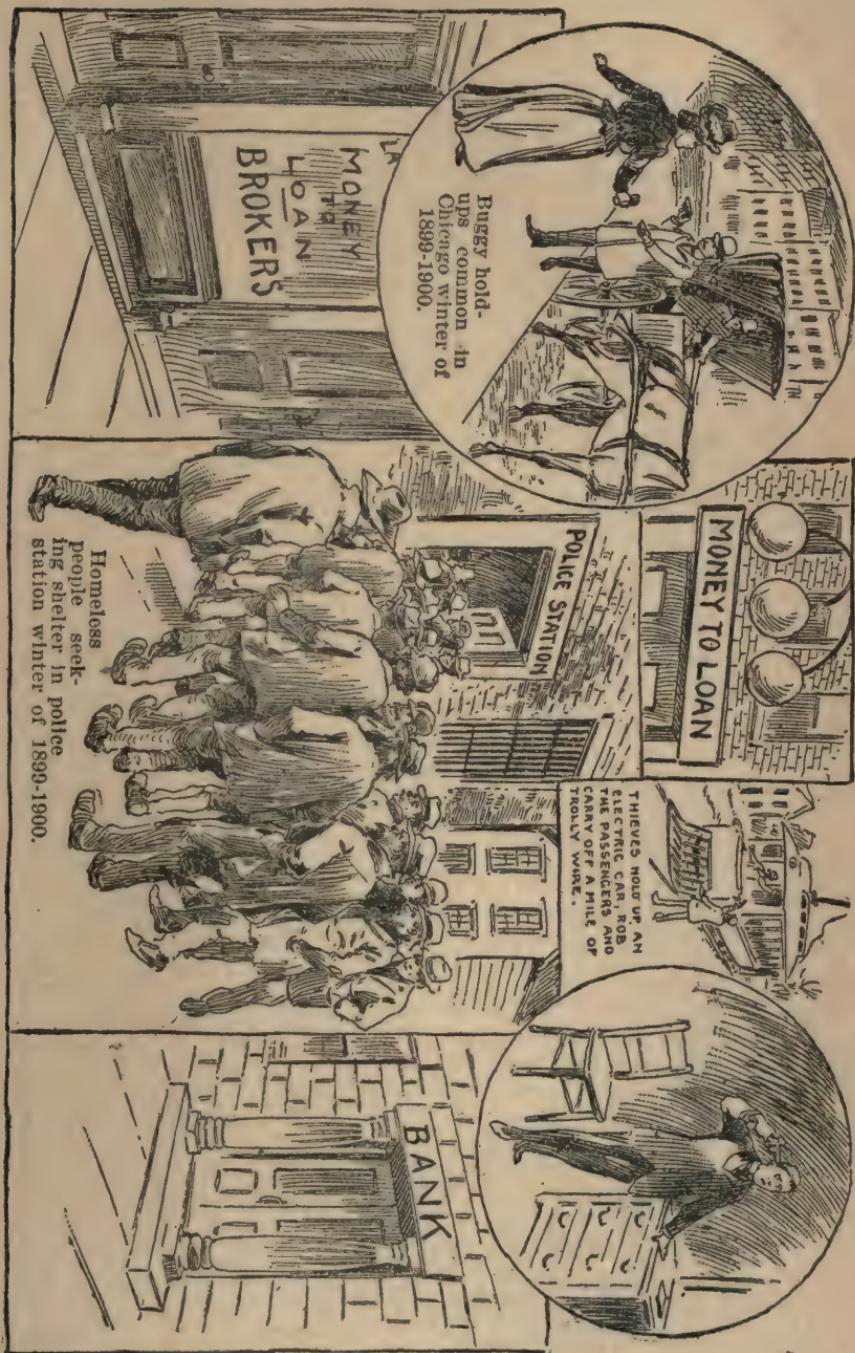
“Under the financial system in use from 1861 to 1865 the people of the United States were practically out of debt. The national debt, arising out of the war, was about \$2,700,000,000, but private debts were very small in the aggregate, and the total of national, state, municipal, cor-

porate and private debts were about FIVE billion dollars. With the people unhampered, the national debt would have soon been paid and private debts would have continued to decrease. The population of the United States was then about 35 million. We have now about 70 million of people, and in the same proportion, under the same conditions, our debts would be not to exceed 10 billion dollars.

"As a result of the class legislation obtained by the money dealers, since the close of the war in 1865, and mainly since January, 1873, we have had periodical panics and a long period of constantly falling average of prices to the first of the present year, till average prices of all products have fallen 50 per cent—some more, some less, but on the whole, 50 per cent.

"This fall of prices forced the people to go to the money lenders and contract debts, till now the total of our national, state, municipal, corporate and private debts in the United States is fully FORTY billion dollars." COIN here distributed in the audience a printed statement of the national, state, municipal, corporate and private indebtedness of the people of the United States.

"The debts due to the banks of \$5,751,467,610 are short time debts due from business men, and while representing in the main the necessary supply of money for carrying on the business of the nation, it is only about one-eighth of the total debts of the nation and its people at the present time. The life insurance companies are among our largest money lenders. Individual stockholders and directors in banks make loans of their personal money on long time, secured, usually, by mortgages on real estate; and thousands of other individuals are in the money lending business. Additional to these, agents of foreign money lenders, mainly those of England, have been quartered



among us, and signs of 'money to lend' may be seen everywhere.

"Fifty years ago money lending as a business was scarcely known. It had not long been revived and was then in its infancy. But now it is everywhere. Corporation bonds amount up into billions of dollars. The farm mortgages amount to an enormous sum. In almost every conceivable way, now, property is pledged in some way for borrowed money; and the *annual* interest of the people amounts to about two billion of dollars; more than the value of six of the annual leading crops of the United States. Railways are seeking privileged legislation, by which fares are maintained to enable them to make dividends on their stock after paying interest on their bonds, thus throwing the burden on the people. Other corporations by combinations and trusts are obtaining the same end; and express, railway and telegraph companies are forcibly throwing on the people the stamp tax, intended for them to pay. Thus no matter who issues the bonds, so long as the people are able to pay them, the principal and interest will be exacted of them. Annual interest in the United States is now *two billion of dollars*.

"The total indebtedness of the people of the United States is now as much as **FORTY** billion of dollars. You will understand better what **FORTY** billion of dollars of debts mean to this nation, when I tell you that by the census of 1890 the total assessed value of all the real and personal property in the United States was *Twenty Four* billion, six hundred million dollars, with the average state assessments since that period less than it was in 1890. The fair cash value of all the real and personal property in the United States is now estimated at *SEVENTY* billions of dollars. So that we are now indebted *FIFTEEN* billion dollars more than the total assessment; and more than

## DEBTS.

## PUBLIC AND PRIVATE IN THE UNITED STATES.

November, 1899.

|  |                         |
|--|-------------------------|
| National debt, interest bearing—see National Treasurer's Report, page C, for 1899.....   | \$1,046,048,750         |
| Annual current expense debt, less postal appropriation, being collected by taxes—see page 12, Treasurer's Report.....  | 575,000,000             |
| State, county municipal, school and other taxes, Debts due to banks—see Report of the Comptroller of the Currency of Dec. 4, 1899, page 23, U. S. railway debts, 1897—see Poore's Manual (no data since then but supposed to have since increased) ..... | 1,500,000,000           |
| Real estate mortgages, 1890, U. S. Census Rep't ..   | 5,751,467,610           |
| Bonded debt of states, territories, counties and municipalities of over 4,000 population—see Census Report, 1890 .....   | 11,631,711,740          |
| Towns under 4,000 population (estimated).....  | 6,000,000,000           |
| Bonded indebtedness of street railways, manufacturers, industrial trusts, and other business enterprises, not including railways (estimated from U. S. Census Report and Bond Market Reports up to date) .....   | 1,135,794,064           |
| Overdue debts to wholesale and retail merchants (estimated) .....  | 50,000,000              |
| Chattel mortgages and debts due to pawnbrokers (estimated) .....   | 10,000,000,000          |
| Private debts due from individuals to individuals that do not come under any class, and of which there is no record (estimated).....   | 1,000,000,000           |
| Marine debts (estimated) .....   | 1,000,000,000           |
| Overdrafts, judgments and delinquent taxes, for which property is being sold, or has been sold and time of redemption has not expired..  | 500,000,000             |
| <b>Total.....</b>  | <b>\$44,190,022,164</b> |

It is claimed in the past two years that farm and real estate mortgages are being reduced in consequence of increased circulation from war money and sale of products to famine stricken countries, but examination shows otherwise. In Nebraska, where chattel as well as real estate mortgages are required to be recorded, to be of any validity, reports from all the recorders' offices in the state, giving new mortgages and cancellation of old mortgages, shows for the past two years and also for the past year, an increase rather than a decrease of indebtedness. Nebraska has a rich soil, ranging from 3 to 20 feet deep, and is above the average of prosperous states. If debts are not being reduced in Nebraska they can hardly be said to have been reduced in other states.

half as much as the fair cash value of all the real and personal property in the United States.

“What it means is that at low prices of property—wheat at 60 cents and cotton at 6 cents—the debts are taking from the people their property. It is due to financial laws that are as effectually reducing the people of the United States to tenantry as the law of entail reduced to tenantry the people of England, Scotland and Ireland. It is increasing the number of wage earners and dependants. It is bringing the people to want, misery, crime, suicide and insanity.

“Here in this city, mortgage companies and life insurance companies own thousands of residences taken in under loans made at 40 and 50 per cent of what was once regarded as their fair cash value. Where, thirty years ago, as you walked along the residence streets of this city, nearly every one owned his home, but now, as you walk along the same streets, you will not find more than five families in fifty living in their own homes; and many of those who still own their own homes, at present prices, are hopelessly mortgaged.

“Over **TEN BILLION** dollars of our indebtedness of **FORTY BILLION** is due to English money lenders, who introduced among us the gold standard. Under the low prices of property that has resulted, these same Englishmen have been, through mortgage sales and cash purchases, and are now, rapidly coming into the possession of the property of our once prosperous citizens. Englishmen now own a majority of the stock of our railroads. They own fifty million acres of land along the Northern Pacific railroad, taken in under a mortgage.

“They own large tracts of land in nearly every state in the Union. Lord Scully of England owns 40,000 acres of land in Logan county in this state and 40,000 acres in

## NATIONAL DEBTS.

DOES NOT INCLUDE PRIVATE  
OR OTHER DEBTS.

|                            |                 |
|----------------------------|-----------------|
| U. S. Census Report, 1890. |                 |
| 1848 .....                 | \$7,627,692,215 |
| 1860 .....                 | 10,399,341,688  |
| 1870 .....                 | 17,117,640,428  |
| 1880 .....                 | 27,421,037,643  |
| 1890 .....                 | 27,524,976,915  |

Quantity of gold in the world available for money, \$4,400,000,000. This estimate is one admitted by both sides of this controversy.

If other than national debts, in other nations, are as large in proportion to national debts as ours are, the total indebtedness in the world, of all kinds, is about \$1,000,000,000,000 (one trillion) and the annual interest at 6 per cent is over fifty billion dollars, or more than ten times the total stock of gold in the world available for money. Indicating that debts must be contracted in payment of interest accounts. In the United States, however, there is richer picking, and private debts have assumed, relatively, a larger proportion than in other nations.

soon! Those who would evade and condone the situation are *criminally negligent!*

"We are also being deprived of our balance of trade. We have to pay England about 400 million dollars annually in interest on the *TEN BILLION* of dollars or more that our people owe to her money lenders. So that our balance of trade must be as much as 400 million dollars annually before any money can come to us."

Sangamon county adjoining. He owns 50,000 acres in Southern Nebraska and Northern Kansas. Englishmen own a beautiful island in Lake Superior, in the state of Michigan, containing 80,000 acres of rich land. They were recently asked what they were going to do with it, and they replied that they were 'going to stock it with English pheasants.' Lord Scully has put newly imported Russians on his lands in Illinois and introduced among them the Irish rack rent landlord system. Thus our lands, the natural homes of the people, are passing into the hands of the English and American money lenders. A land of liberty is being desecrated, and by laws that have evaded the intelligence of our people. The awakening cannot come too

COIN here had boys go through the audience distributing a card that is here reproduced. He then continued: "You will observe by studying the figures on the card,

our exports and imports, that while we have exported since 1873 \$3,721,-142,159 of products more than we have imported, we have nevertheless received nothing for it. The column showing exports and imports of gold and silver shows that we have not been paid for our balance of trade."

He stopped long enough for them all to examine the figures of exports and imports of merchandise and precious metals, and then continued:

"We should have received an importation of \$3,721,-

142,159 in precious metals, whereas we have received nothing. These figures are taken from the Treasurer's report at Washington. What the figures mean is that we have sold of our cotton, wheat and other products more than we have purchased of the balance of the world by \$3,721,142,159 in the past twenty-six years. Yet we have not received anything in exchange for that balance of trade. Instead of an import of precious metals to pay us the more than three and a half billion of dollars, we have for the same period exported a net balance of \$409,291,-125 of precious metals—and are exporting at the present



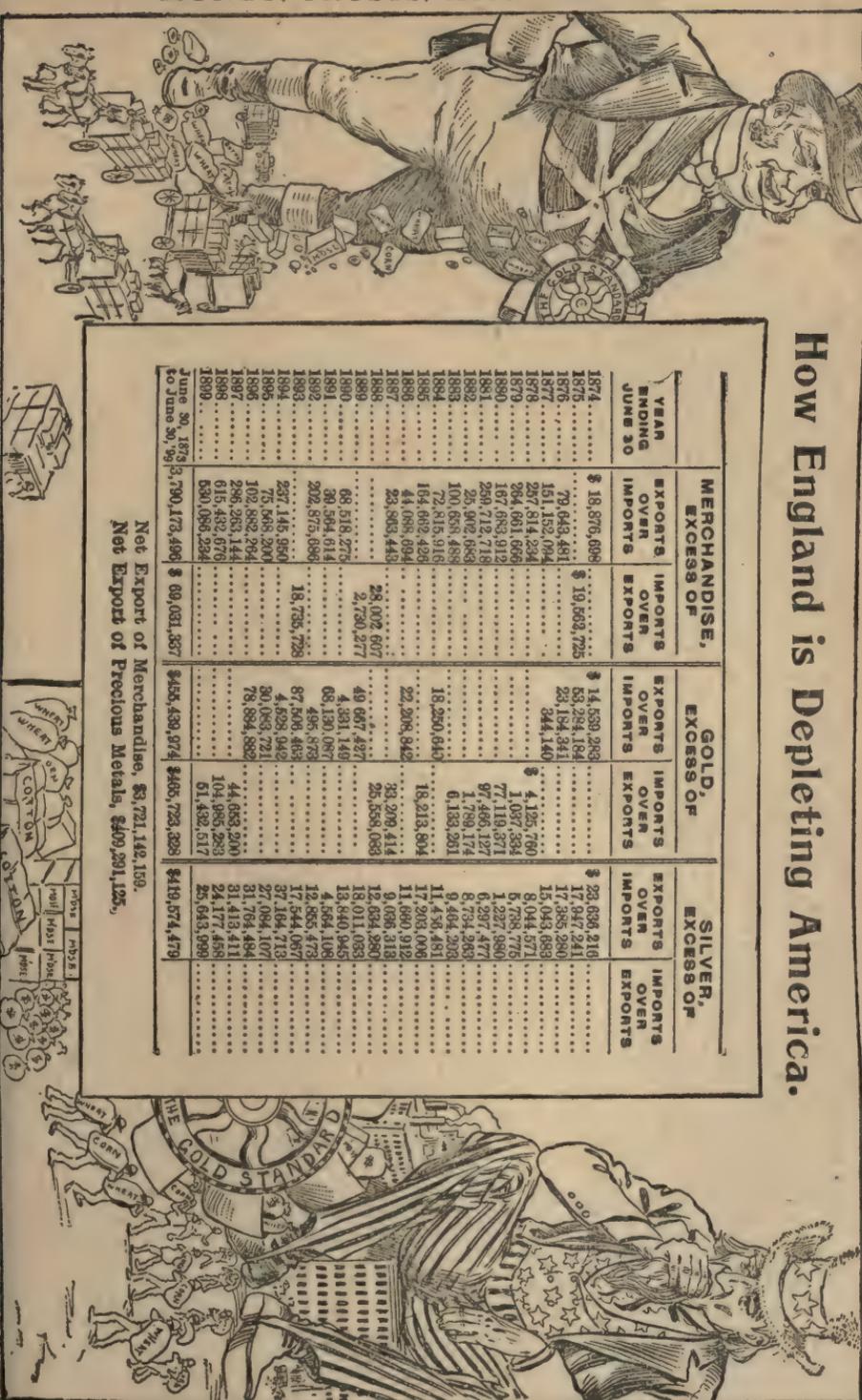
FALL OF THE HOUSE OF HARPER BROTHERS.

## How England is Depleting America.

| YEAR<br>ENDING<br>JUNE 30          | MERCHANTISE,<br>EXCESS OF   |                            | GOLD,<br>EXCESS OF         |                            | SILVER,<br>EXCESS OF       |                            |
|------------------------------------|-----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|
|                                    | EXPORTS,<br>OVER<br>IMPORTS | IMPORTS<br>OVER<br>EXPORTS | EXPORTS<br>OVER<br>IMPORTS | IMPORTS<br>OVER<br>EXPORTS | EXPORTS<br>OVER<br>IMPORTS | IMPORTS<br>OVER<br>EXPORTS |
| 1874                               | \$ 18,896,698               |                            | \$ 14,530,283              |                            | \$ 23,638,219              |                            |
| 1875                               | ...                         |                            | \$ 19,562,725              |                            | 17,394,241                 |                            |
| 1876                               | 79,043,491                  |                            | \$ 53,294,184              |                            | 17,385,260                 |                            |
| 1877                               | 151,152,084                 |                            | 20,184,341                 |                            | 15,043,683                 |                            |
| 1878                               | 257,814,284                 |                            | 344,140                    |                            | 8,044,571                  |                            |
| 1879                               | 264,661,666                 |                            | ...                        |                            | 5,788,775                  |                            |
| 1880                               | 167,693,912                 |                            | 77,119,371                 |                            | 1,227,980                  |                            |
| 1881                               | 259,712,718                 |                            | 6,297,127                  |                            | 6,297,477                  |                            |
| 1882                               | 255,902,663                 |                            | 97,486,127                 |                            | 8,784,263                  |                            |
| 1883                               | 100,658,488                 |                            | 8,784,174                  |                            | 9,044,203                  |                            |
| 1884                               | 72,815,916                  |                            | 6,138,261                  |                            | 11,458,481                 |                            |
| 1885                               | 164,692,426                 |                            | 18,250,840                 |                            | 17,203,006                 |                            |
| 1886                               | 44,098,994                  |                            | 18,213,864                 |                            | 11,660,912                 |                            |
| 1887                               | 23,565,443                  |                            | 22,208,942                 |                            | 11,660,912                 |                            |
| 1888                               | ...                         |                            | 33,208,414                 |                            | 12,066,313                 |                            |
| 1889                               | ...                         |                            | 28,002,207                 |                            | 12,634,390                 |                            |
| 1890                               | 68,518,275                  |                            | 49,657,427                 |                            | 18,011,093                 |                            |
| 1891                               | 30,564,614                  |                            | 4,381,149                  |                            | 13,840,945                 |                            |
| 1892                               | 202,875,086                 |                            | 458,978                    |                            | 4,564,108                  |                            |
| 1893                               | ...                         |                            | ...                        |                            | 12,885,473                 |                            |
| 1894                               | 257,145,960                 |                            | 18,765,728                 |                            | 17,544,067                 |                            |
| 1895                               | 75,668,200                  |                            | 87,908,463                 |                            | 37,184,713                 |                            |
| 1896                               | 102,882,264                 |                            | 4,628,940                  |                            | 27,084,107                 |                            |
| 1897                               | 296,293,144                 |                            | 80,085,721                 |                            | 31,764,494                 |                            |
| 1898                               | 615,432,676                 |                            | 78,884,382                 |                            | 31,413,411                 |                            |
| 1899                               | 630,085,294                 |                            | ...                        |                            | 25,643,998                 |                            |
| June 30, 1870-<br>to June 30, 1899 | \$3,790,173,498             | \$ 69,031,357              | \$455,438,974              | \$465,723,328              | \$419,574,479              |                            |

Net Export of Merchandise, \$3,721,192,159.

Net Export of Precious Metals, \$40,291,425.



time about a half million dollars per day. What it means is that our fields and factories are being stripped to pay interest to the money lenders of England. It means that the backs of our masses are bent with the task that has broken and humbled the Egyptians and that has desolated India! England is waging an economic war on us. In Egypt and India she has placed her soldiers to protect her bondholders, who are taking in usury, all that the people produce; with the latter rising, periodically, in mute protest, to be shot down by their cruel task masters! The money lenders of America, who are advocating our present financial laws, are the soldiers of England on the soil of the United States!"

COIN was here interrupted by a Mr. Northcotte, an Englishman, living temporarily in Chicago, who collects rents from American tenants for many Englishmen who are owners of real estate situated in that city. Mr. Northcotte was red in the face and seemingly very indignant. He asked:

"How would you have built your railroads in the United States if it had not been for borrowing the ten billion of dollars from English money lenders?"

Mr. Northcotte's accent and appearance apprised the little patriot and the audience that the questioner was an Englishman, and COIN answered, addressing him:

"If it had not been for the fall in prices in the past 25 years of cotton from 18 cents to 6 cents, and wheat from \$1.25 to 60 cents, and all our products on the whole 50 per cent, we would have built our railroads with our own money received from the sale of our products, and would to-day not be indebted to your people for anything. Your plain people are as much the victims of this system that you have introduced into the United States as ours are; and it is your money lenders and other privileged classes,

and vain aristocracy, that we have reference to when we charge your nation with crimes against God and Man! We would emancipate your plain people as we would emancipate our own!"

COIN'S reply to Mr. Northcotte brought down the house with long continued applause. As many as fifty boys were standing on their seats and amidst the confusion shouts from the boys, "What's the matter with the Boers?" could be heard. Evidently they felt that the Dutch in Africa had a friend in the little statesman. When the noise had subsided, COIN continued:

"England has struck at the South African republics! Tenacious of their rights, they refused to let England by peaceful strategy accomplish a wicked purpose! Foiled in an effort at peaceful conquest, England raised her hand and struck! that she might accomplish by force where she had failed by strategy! Now her army recoils, bleeding and wounded, before the successful onset of men fighting for liberty! Let us emulate the courage of the Republicans of South Africa by breaking the weapons used by England to subjugate America! A vote for the *gold standard* is a vote for England! A vote against it is a vote for America!—for your homes and firesides! England's God is Greed! By peaceful conquest when she can, and by force when she must—she seeks to enslave mankind!"

COIN had closed amidst tumultuous applause. He had traced to its fountain source the cause of America's ills, and had touched the heart strings of all who heard him, except those who were allied in interest with the evil forces that are seeking the subjugation and enslavement of the human race.

## CHAPTER IV.

### THE FOURTH DAY.

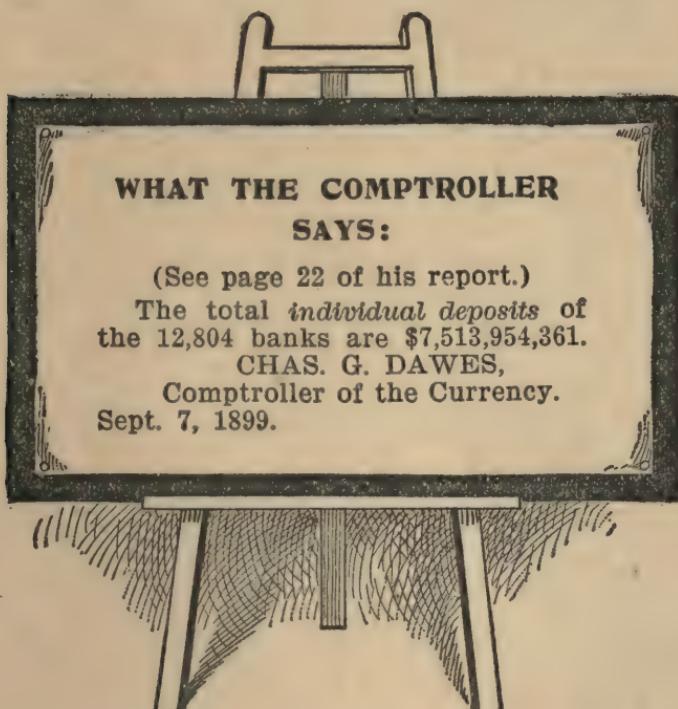
On the fourth day the morning daily papers in Chicago, with one exception, the Chronicle, again assailed the little fellow and all that he stood for. They charged that his utterances were anarchistic and destructive of the alleged high state of civilization in which we live.

They did not answer his arguments or facts, but underneath their abuse and perversion of facts there was evident groping to find a hole in the armor of his logic. If one could be found they were horsed and booted in the interest of the privileged classes, and would insert their spears in the opening, figuratively dangle his body in the air and rejoice as much as ever feudal tyrant had rejoiced when displaying the physical head of a reformer at the end of his lance.

The Tribune alleged that the \$7,513,954,361 of deposits, referred to by COIN on the second day, were largely made up by deposits of one bank with other banks, which would mean a duplication of deposits. It also alleged that the debts due the banks added to the cash in the bank did not equal the amount of the deposits, as had been claimed by the teacher; and cited as evidence the statement of the First National Bank used by COIN on his blackboard or easel.

COIN opened on the fourth day of the School by reading the statement referred to in the Tribune. He then took up the report of Comptroller Dawes, and showed that in his report the amount estimated by him as on deposit in the banks of the United States did not include the de-

posits of banks with each other; that his estimate of \$7,513,954,361 was *individual deposits*. That the deposits of banks with each other came under separate heads of "due to other national banks," and "due to state banks and bankers," and that these sums were not included in the \$7,513,954,361. COIN here again placed on the easel a card giving the language of the Comptroller of the Currency, italicizing the words *individual deposits*. He



then said that the First National Bank statement had put, in its case, the bank and individual deposits together. That if the First National Bank would deduct its deposits from other banks from the total deposits of \$43,630,069.54 the result would show the individual deposits; and that the latter would equal the "cash on hand, \$8,604,749.74," plus "loans and discounts, \$24,824,263.73." He said the First National Bank had failed to separate the deposits of

banks from individual deposits as the Comptroller had done.

The Tribune had failed to find a hole in the armor of facts of the little champion of popular liberty. It had poised its lance at what it thought was an opening.

Immediately on the completion of COIN'S answer to the Tribune, Hon. Joseph C. Sibley of Pennsylvania rose and put a question. He said :

"It is conceded that times are more prosperous now than they were in 1896 or 1897, and if our present system of laws, continued, are to work out the industrial slavery of the people that you have indicated, how do you account for the better times that at present exist?"

Mr. Sibley is a Congressman, a prominent Pennsylvania Democrat, and an alleged statement of his had been published in the papers to the effect that on account of better times, reversing the prophesy of the Democrats in 1896, the Democratic party would have to abandon its position on the silver question ; and his question, to those present, had unusual importance. COIN'S reply was the most educational of any one thing that had thus far occurred in the School.

"During the period that a nation," the reply began, "is being reduced to tenantry, and, by the operation of laws, its property transferred to the few, there may at a time be more prosperity, temporarily, infused among the people by causes that may be plainly understood. Our system of financial laws are such as to give over to the money lenders as much as two billion dollars annually in payment of discounts and interest, and, practically, all of our money now belongs to them. With nothing unusual happening out of the ordinary, to put money in circulation, the money diverted from the investment market and hoarded to loan would, together with demonetization, cause a constant

gradual lowering of prices and industrial depression known as 'hard times.' That was the situation in 1896 and 1897. It began about 1873 and has come upon the people gradually. A succession of causes has operated in the past two years to increase the quantity of money in the market in search of property. These causes do not arise out of a *correction* of the system that, continued, is deadly to civilization, but are temporary in affording relief.

"Anything," he continued, "that will temporarily put



TRIBUNE EDITOR READS A REPORT OF THE SCHOOL.

more money in the market in search of property will relieve the situation, as occurred during Mr. Cleveland's first term, to be followed later by more serious consequences than before. What has happened to put more money in circulation, temporarily, among the people is as follows:

"First, an increased production of gold. This is tem-

porary, as shown by the world's production in past years. By examining the table of the world's production of gold which I distribute among you, you will see that between 1850 and 1860, with less population and less demand for money than at the later period, the world's production of gold was greater than for the same period between 1880 and 1890. The world's production of the two metals varies; the two combined make a more regular supply than either separately. The supply of gold cannot be relied on, and any relief from that quarter must be temporary. Nor of itself is the quantity from this source sufficient to stem the increasing demand for interest money; to say nothing of the hoarding of gold in the war chests of nations.

"Second, a famine in about one-half the world for the food cereals, since June 30, 1896, gave us, for a time, an exceptional market at a high price for our crops and a balance of trade in three years of 1,400 million dollars; from which we received 204 million dollars in money. This added to our money stock increased the quantity in circulation among the people—money in the market in search of property. This relief is, in the nature of things, also temporary.

"Third, a war with Spain began in April, 1898, that has since continued against the people that Spain was previously at war with, and is still in progress. It has added to the money previously in circulation about 300 million dollars, and is increasing the amount daily by about 500 thousand dollars. This is all money being paid out to soldiers, transportation companies, factories and farmers in order to maintain the army in the field. It is mainly money borrowed by the government and coming from the money lenders' hoards, and going immediately into the market in search of property. It gives employment to tens

## GOLD AND SILVER.

PRODUCTION OF GOLD AND SILVER IN THE WORLD, 1792-1892.

U. S. MINT REPORT OF 1893, PAGE 179.

| Calender Years. | Gold.         | Silver (Coining Value) U. S. | Total.        |
|-----------------|---------------|------------------------------|---------------|
| 1792-1800       | \$106,407,000 | \$328,860,000                | \$435,267,000 |
| 1801-1810       | 118,152,000   | 371,677,000                  | 489,829,000   |
| 1811-1820       | 76,063,000    | 224,786,000                  | 300,849,000   |
| 1821-1830       | 94,479,000    | 191,444,000                  | 285,923,000   |
| 1831-1840       | 134,841,000   | 247,930,000                  | 382,771,000   |
| 1841-1848       | 291,144,000   | 259,520,000                  | 550,664,000   |
| 1849            | 37,000,000    | 39,000,000                   | 76,000,000    |
| 1850            | 44,450,000    | 39,000,000                   | 83,450,000    |
| 1851            | 67,600,000    | 40,000,000                   | 107,600,000   |
| 1852            | 132,750,000   | 40,600,000                   | 173,350,000   |
| 1853            | 155,450,000   | 40,600,000                   | 196,050,000   |
| 1854            | 127,450,000   | 40,600,000                   | 168,050,000   |
| 1855            | 135,075,000   | 40,600,000                   | 175,675,000   |
| 1856            | 147,600,000   | 40,650,000                   | 188,250,000   |
| 1857            | 133,275,000   | 40,650,000                   | 173,925,000   |
| 1858            | 124,650,000   | 40,650,040                   | 165,300,000   |
| 1859            | 124,850,000   | 40,750,000                   | 165,600,000   |
| 1860            | 119,250,000   | 40,800,000                   | 160,050,000   |
| 1861            | 113,800,000   | 44,700,000                   | 158,500,000   |
| 1862            | 107,750,000   | 45,200,000                   | 152,950,000   |
| 1863            | 106,950,000   | 49,200,000                   | 156,150,000   |
| 1864            | 113,000,000   | 51,700,000                   | 164,700,000   |
| 1865            | 120,200,000   | 51,950,000                   | 172,150,000   |
| 1866            | 121,100,000   | 50,750,000                   | 171,850,000   |
| 1867            | 104,025,000   | 54,225,000                   | 158,250,000   |
| 1868            | 109,725,000   | 50,225,000                   | 159,950,000   |
| 1869            | 106,225,000   | 47,500,000                   | 153,725,000   |
| 1870            | 106,850,000   | 51,575,000                   | 158,425,000   |
| 1871            | 107,000,000   | 61,050,000                   | 168,050,000   |
| 1872            | 99,600,000    | 65,250,000                   | 164,850,000   |
| 1873            | 96,200,000    | 81,800,000                   | 178,000,000   |
| 1874            | 90,750,000    | 71,500,000                   | 162,250,000   |
| 1875            | 97,500,000    | 80,500,000                   | 178,000,000   |
| 1876            | 103,700,000   | 87,600,000                   | 191,300,000   |
| 1877            | 114,000,000   | 81,000,000                   | 195,000,000   |
| 1878            | 119,000,000   | 95,000,000                   | 214,000,000   |
| 1879            | 109,000,000   | 96,000,000                   | 205,000,000   |
| 1880            | 106,500,000   | 96,700,000                   | 203,200,000   |
| 1881            | 103,000,000   | 102,000,000                  | 205,000,000   |
| 1882            | 102,000,000   | 111,890,000                  | 213,800,000   |
| 1883            | 95,400,000    | 115,300,000                  | 20,700,000    |
| 1884            | 101,700,000   | 105,500,000                  | 207,200,000   |
| 1885            | 108,400,000   | 118,500,000                  | 226,900,000   |
| 1886            | 106,000,000   | 120,600,000                  | 226,600,000   |
| 1887            | 105,775,000   | 124,281,000                  | 230,056,000   |
| 1888            | 110,197,000   | 140,706,000                  | 250,903,000   |
| 1889            | 123,489,000   | 162,159,000                  | 285,648,000   |
| 1890            | 118,849,000   | 172,235,000                  | 291,084,000   |
| 1891            | 126,184,000   | 186,447,000                  | 312,631,000   |
| 1892            | 138,861,000   | 196,459,000                  | 335,320,000   |
| 1893            | \$157,494,800 | \$213,944,400                | \$371,439,200 |
| 1894            | 181,175,600   | 212,829,600                  | 394,005,200   |
| 1895            | 198,763,600   | 216,566,900                  | 415,330,500   |
| 1896            | 202,251,600   | 203,069,200                  | 405,320,800   |
| 1897            | 238,812,000   | 212,134,800                  | 450,946,800   |
| 1898            | 287,428,600   | 213,715,400                  | 501,144,000   |

of thousands of workmen in factories, on ships, railways and elsewhere, and shows what a little money can do when it is in its proper channel. It has drawn from the over-supply of laborers by putting about 75,000 men in the army, additionally to the 25,000 that it previously contained. Add 75,000 more men who have been given employment to transport and supply the army, and you have an idea of its effect, for the better, on the labor situation that is yet restless and disturbed. But this cause is also temporary. And unlike the first and second causes, must in the end aggravate the general evil. The new money, in this instance, thus put in circulation, increases our debts, and will increase our interest payments. It puts us, in the end, still more securely in the hands of the men who make a business of loaning money, and will eventually engulf us in ruin even though the war continues indefinitely. Our prosperity at present may be likened to a farmer who, in debt and despondent, secures an additional loan and invests the borrowed money in bananas in the Philippine Islands. While spending the money there would be for him temporary prosperity.

"Mr. Dingley and Mr. Bland recently were lying upon their death beds, and at times there came to us reports that they were better, holding out hope of permanent recovery, but the seat of the disease not being removed, the improvement proved to be temporary, and in the end they died; and so it will be with the Republic if we do not remove the seat of the disease.

"We should be sufficiently intelligent," continued the little statesman, "to know the cause of the present prosperity to some of our people, and to foresee the great danger that will return as soon as the temporary causes that exist remove themselves. While more of our people are employed at the present time for the three

reasons I have stated, there are other causes, which we will deal with to-morrow, that make true the statement that to many of our people their situation is not so favorable as it was in 1896. The slight prosperity the farmers are enjoying is on account of the high prices of their products, because of famine in Europe and Asia a year ago. But at the present time the farmer cannot buy as much with the price of his crops as in 1896. With the money for which he exchanges his products he cannot buy as much sugar, medicines or clothes or building material as he did in 1896. Nor can he with the average price of his crops, at the present time, pay any more taxes or debts than he could under the prices of 1896.

"But, nevertheless, we can see the benefits that have come from 300 or 400 millions of additional dollars put into circulation. And the lesson we should learn from it is, not to rely on either of the three causes that have given us the present prosperity, but to adopt permanent and better methods for adding to the money supply. The opening of the mints to silver would give us 200 million more dollars in a single year. The spending of 300 million dollars on public improvements would have the same effect as when spent in maintaining an army of soldiers in the field, and the permanent effect would be infinitely better. Statesmanship will give us permanently what famine and war is giving us temporarily. No one who religiously understands the financial question," concluded the little patriot, "will ever lower his flag or trail it in the dust."

In the audience was a Mr. Adam Zeisler, an attorney in Chicago, and one of the shrewdest men of his race. He is a gold standard men and had come for the purpose of confusing the little financier by putting what he regarded as questions that would accomplish his purpose. He knew

that others had failed, but there are always men who think they can succeed where others do not.

Mr. Zeisler, with a paper in his hand, evidently containing memoranda of his questions, began :

“The objection,” he said, “is made to the opening of the mints to silver on the same terms with gold, as they were formerly open, for the reason that the cheaper metal has always driven the dearer metal out of the country, and left us only with the quantity of money made from our supply of the remaining metal. It is known as the Gresham law, meaning that a man of that name first called attention to it, as one would speak of the law of gravitation. Is it not a fact that such is the case?”

“The Gresham law,” replied the boy, “like the saying that ‘the king can do no wrong,’ is a product of the ingenuity of the special classes. When the two metals were in free competition to supply the demand for money, the metal in the two dollars never varied more than 3 per cent from *par* on the French ratio and about 5 per cent on our ratio from an equal commercial value. And when one of the metals was worth 3 per cent more than the other, as was silver for many years before 1873, we coined our gold and shipped our silver to Europe. If not in debt to foreigners at the time of shipping it, we exchanged our silver for gold, brought the gold here and coined it into money, and had as much metallic money as we had before the exchange was made and 3 per cent more. If in debt at such a time, to people of foreign nations, we paid them with silver and with each dollar shipped we paid 3 per cent more debt than to have paid them with the other metal. The dearer metal leaving us does not lessen the supply of metallic money. It either brings back in exchange more of the other that is coined into money; or saves the other from going, by having paid our debts. As it is now, we

pay less debts with our silver than before; and the low price of our products, that have fallen with silver, makes it that much harder for us to pay our debts. Our exports do not bring us by one-half as much money as they did when the two metals were in free competition. Under free coinage the bullion answers for money in the settlement of large balances the same as coins."

Wherever a gold standard man has met the proposition COIN has made he has found it unanswerable; and Mr. Zeisler was nonplused. He referred to his memoranda and came back with this question:

"Have we not coined by far more silver since 1873 than we did for a like period prior to that year?"

"Yes," was the reply, "but we have coined it as representative money, or discredited money resting on gold as a redeemer, creating confusion in our monetary system and emphasizing the demand for gold. For the same period prior to 1873, we mainly used our silver in bars, for money, in exchanging it for gold or in paying foreign debts."



MR. ZEISLER LOOKS TOWARD THE CEILING.

Mr. Zeisler paused a moment, looking toward the ceiling. His theory was that a question could be put that the boy could not answer satisfactorily, and that it would result in the confusion of the little financier and his friends. One's theory must indeed be sound if he can stand before an audience of experts, who oppose him, and his answers to all questions be consistent. A public speaker by retort, and the use of wit, may confuse a questioner, but not so if his position be unsound and his answers are respectful. When the advocates of a political

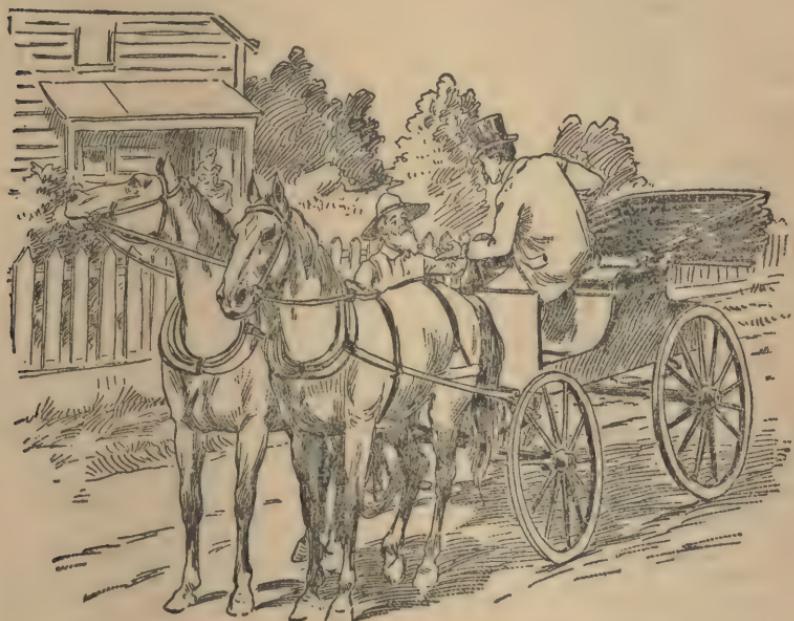
party are not willing to throw their public meetings open to questions it is a sign of the unsoundness of their position, and that they are afraid of the common sense of the people. COIN had always been willing to throw his meetings open to questions and make respectful replies. Mr. Zeisler was now about to search again for a vulnerable point.

"If it be true that products are cheaper than they were in 1873, is it not also true that money is cheaper now than it was then and that it can be borrowed for a less rate of interest than ever before? Is it not true that the banks are full of money, and that there is as much money as there ever was?"

"I will first answer you," replied COIN, "by relating a story. A man once had all of his crops destroyed by a drouth; it had not rained for several months, and he was standing by the roadside lamenting his loss to a stranger, when the stranger replied to the farmer that he was wrong, saying that 'there is as much water on the earth as there ever was.' 'But,' replied the farmer, 'it is not where it ought to be.'" This retort of the little fellow was followed by applause and general laughter.

"There may be," the little teacher continued, "as much money, per capita, as there ever was, and it is possible to have a normal supply of money and yet have it diverted from the channels of trade till all business suffers for the want of it. Suppose a reliable stream of water along which manufactories have been erected that have for years relied on this water for power, as do the paper mills of Fox River, and suppose a class of men by law get the privilege of dealing in water, by which they pump the water out of that river, storing it in reservoirs, and charging the mill owners for the use of the water, the principal

and interest to be returned in water from the stream to the reservoirs through pumps. It is only a question of time when, under such an arrangement, the water dealers would pump the stream dry, or there would be only such water in it as could be purchased from the water dealers by placing bonds and mortgages upon the factories. The factories could not run without the water and would be at the mercy of the water dealers—if the law allowed water to be thus dealt in. The water will be in existence but it



THE FARMER AND THE STRANGER.

will not be turning the wheels of the factories. We have our money dealers, the banks are their pumps, and their steel vaults are their reservoirs. The stream of money in the channels of trade may thus, at times, be very small and more bonds issued and mortgages put on factories to replenish it.

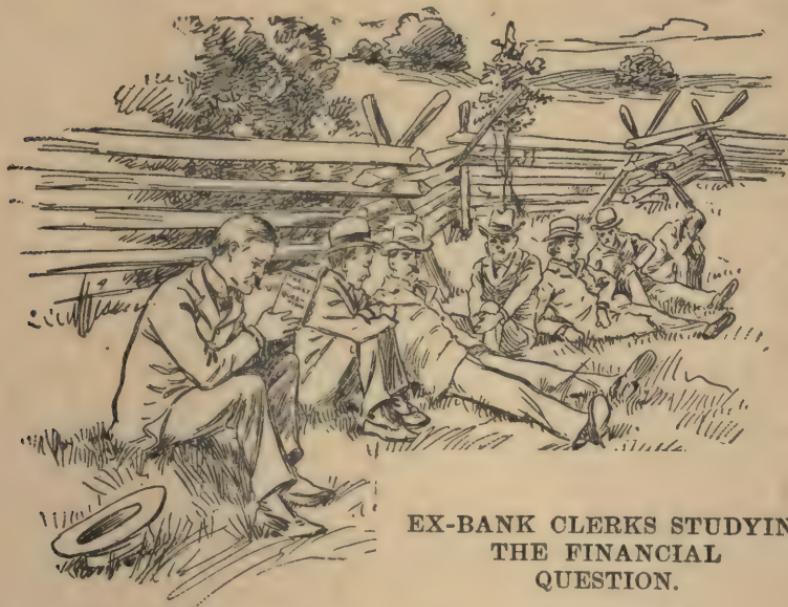
“Answering the other part of your question,” continued

the little statesman, "it is true that money is loaned now at a less rate of interest than before. The reason for this is that the 'interest and discount system' has been bringing to the money lender an ever increasing quantity of money, and the competition between them to loan it is increasing accordingly, thus bringing down the rate of interest. First having crippled or destroyed business, and received under mortgaged sales the homes of the people, there comes a time when there is naturally less demand for borrowed money, and then the money loaners compete more fiercely for the loans that are to be made. The first effect is to bring down the rate of interest and the second effect is to cause a consolidation of the banks. In a country town where there are now two banks, in time the owners will come together and say, 'On account of the low rate of interest we must reduce expenses to maintain our usual profits, and we must act together to hold up the rate ;' and then the two banks will consolidate for that purpose, letting one cashier and set of clerks go. The latter, the discharged cashier and clerks, can then have leisure to go out in the country and sit down on the grass and study the financial question.

"Having drank up the blood of civilization," continued the little teacher, "thereby paralyzing industry, the banks and mortgage companies will consolidate in all the cities and towns. They will own the factories and former homes of the people, and signs 'for rent' will multiply. They will contend against the decline of their business by encouraging new loans wherever they can—to the government, to municipalities ; they will compete with the pawn-brokers, as they are doing here in Chicago, in a search for new avenues for loaning money. They will try to break the present debt constitutional limit the states have placed on towns and cities, in order to loan to them more

money than they are now allowed to borrow. They will encourage wars for conquest and raid the national Treasury for gold in order to loan the government more money. And when big loans thus made put suddenly more money in circulation and *temporarily* better times, they will point to the better times in an effort to refute their critics.

"But to have a low rate of interest," he continued, "does not mean cheap money. The price of money is governed by what it takes to buy it. If the people's property buys



EX-BANK CLERKS STUDYING  
THE FINANCIAL  
QUESTION.

little money, then money is dear and not cheap. You should not confuse the interest rate on money with its buying power. You can have a low rate of interest and dear money."

"What I want to know is," said H. C. Cox of New London, Mo., interrupting Mr. Zeisler, who was about to put another question, "why cannot the people unite and get what they want? I mean the reformers. They quarrel among themselves and make, seemingly, no headway."

"The remedy," replied COIN, "is through laws and the repeal of laws; and to secure this the people must organize, and their organization becomes known as a political party. Imperfect education results in confusion as to what the remedies are. Again, many men are more desirous of holding the offices than they are of working out a reformation. Such men are politicians and not students of civilization. They announce their own candidacy and push themselves for office, often, prompted by vain motives or a desire for the salaries. Again, many reformers are without charity, and believe no one is pure but themselves. The remedy is education, not with a view to promoting oneself, but toward working out a perfect government by the people who do not want political office, organizing and selecting those who in their judgment are best fitted to fill the offices. The time should come when men who push themselves for office should be suspected of vain or selfish motives, and the people should be equally as insistent on steps toward selecting the proper men. However, in the meantime it should not be to the discredit of any one that he announces his candidacy for an office or tries to secure it, as under the present practice the man who wants an office for the purpose of using it for the common good, finds that unless he does push himself forward, others who are doing likewise, with questionable motives, will succeed. A reformer finds the people negligent and often tries to succeed, with the common good in view, to get himself nominated and elected. When the people are generally educated, and learn that they 'serve their own interest best by promoting the common good,' they will unite, without quarreling or confusion, and will hunt out the right men, nominate and elect them to office,—who, in a practical way, will advance the cause of civilization."

Mr. Zeisler had not finished his memoranda of questions and was now up again, putting this question:

"Is not the free coinage of silver in the interest of the silver bullion owners?"

"No more," the little fellow replied, "than the free coinage of gold is in the interest of the gold bullion owners. Neither is in the interest of the bullion owners, but in the interest of civilization. As long as there is international commerce, one or both of the precious metals will be used as a medium of exchange in settling international balances. The United States is a great producer of silver and should immediately remonetize it and encourage its use by all nations."

"Will not its free coinage," said Mr. Zeisler, "lessen the purchasing power of the money of the savings bank depositors?"

"Just as more money in circulation from any cause will lessen the purchasing power of money," replied COIN, and then continued: "The savings bank depositor is more interested in his employment or business where he makes his money than he is in what he has saved. If civilization pinches and shrivels till his occupation is gone, he may find too late that from a selfish desire to enhance the purchasing power of his savings he has cut off the supply from whence the savings were coming."



MR. ZEISLER MOPS HIS BROW.

Mr. Zeisler was now mopping his brow with his handkerchief. He had told some friends that he was going to put the questions and what the questions were, and he was impelled to carry out his program.

"Will not our wage-earners," he asked, "numbering hundreds of thousands, if we have free coinage of silver, find that they can buy less with their wages then than now?"

"The first effect," the little statesman replied, "from increasing the money in circulation is to give employment to more people. When the supply of unemployed labor is exhausted then labor is like any product and advances in price as the demand exceeds the supply. The more money *in circulation* the *more* business expands and development proceeds, and a point is reached where the idle labor is employed and after that the demand for all kinds of labor exceeds the supply and then all kinds of labor advances proportionately with the advance in the price of property. The advantage is four-fold.

"First, all would have employment.

"Second, there would be no strikes or killing of each other on account of strikes, or loss of time through strikes and lockouts.

"Third, tens of thousands of wage-earners could find employment in the silver mines of the West, thus serving to draw off from the labor supply of this section that many men.

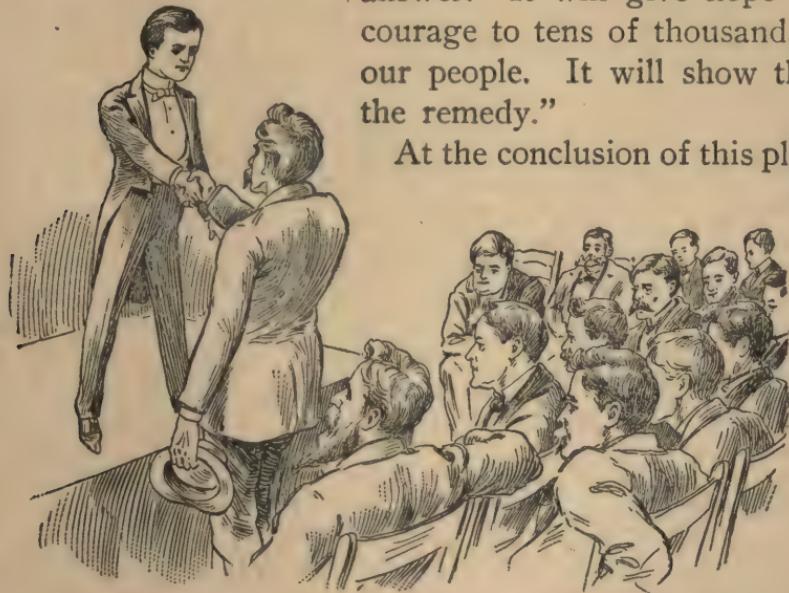
"Fourth, the wage-earner would not be doomed, as he is now, to be without hope of the future, of ever being anything but a wage-earner and a dependant on some one else for employment. As other occupations would be profitable, including farming, he would look forward to and see the day when he would put his money in a farm or other profitable business for himself—and have and enjoy a home. Whereas now, as civilization must inevitably shrink and shrivel under the present system, the farmer's boys with farming made unprofitable, or who are losing their farms, are becoming dependants; will

be forced into the ranks of the wage-earners, increasing the supply of the latter, necessitating strikes, causing bloodshed and the enslavement of splendid men and women. They may buy more with the money they get now —when they get it—but under the present system their fate is deplorable."

As the little teacher closed this answer, a wage-earner by the name of Pat O'Connor, who was sitting just to the right of the platform, rose, walked up and shook hands with COIN, saying:

"I want to thank you for that answer. It will give hope and courage to tens of thousands of our people. It will show them the remedy."

At the conclusion of this pleas-



A WAGE EARNER SHAKES HANDS WITH COIN.

ant scene it was found that Mr. Zeisler had taken his seat without finishing his list of questions.

"There are men who will not work if you give it to them to do," said O. W. Crawford of Chicago. "The associated charities offer men their board for working on the woodpiles and they refuse," concluded Mr. Crawford.

"No doubt but what you say is true," replied COIN,

"there are many men under present conditions who become so discouraged they no longer have the incentive to energy and industry. Open up opportunities and renew hope and slowly that incentive will return as warmth may slowly return to the frozen limb. It is not board or alms the people want. By accepting alms one may degrade his character—and thereby admit that he is a slave."

"I want to know," said Mr. John McBoyle of Chicago, "if the wage-earners of England did not petition that government to open the mints to silver as they were open to gold?"

"Yes," replied COIN, "and their petition was refused. In England the financial laws are shaped, as they are in this country, by the money lenders, and there the people are without a popular form of government and are without hope of getting what they may petition for, if it is against the wishes of the money power. The people of all monarchies have crossed the *dead line*, and cannot be saved except by the force of example, by the United States rearing here a new and splendid civilization."

"What force is there in the proposition," said Wm. A. Field of Texas, "that as other nations have adopted the gold standard, it makes more necessary that we should do so?"

"There is no force in it," replied the little statesman. "Just the reverse is true. The more other nations increase the demand for gold the greater the reason why we should not solely depend on it for the basis of our money system. And the more other nations close their mints to silver, the greater the opportunity for us to look to that metal for a source of supply. There are good reasons why we should make ourselves independent of a metal that the rest of the world is relying on for its money. Every few years we find Europe taking our gold away

from us, and its shipment in large quantities from New York to Europe has at times caused us to have panics. Cover Europe and the United States with the same financial blanket, and all that Europe has to do is to turn over, to pull the blanket off of us.

#### INTERNATIONAL AND DOMESTIC MONEY.

"There are two kinds of money," he continued, "international money and domestic money. Strictly speaking,



ENGLISH LABORERS PETITION THE QUEEN  
FOR BIMETALLISM.

there is no such thing as international money, but the precious metals, one or both, have by common custom been used to settle international balances, and are accepted usually in bars, by weight; but whether in coins or in bars, it is always accepted by weight. There is no law between nations that has fixed what money is, and by trade custom, the precious metals have been used as such. Within a nation, however, it is different. There,

what is used as money for settling balances is fixed by law. There the law fixes what is to be used as a medium of exchange, and you can have as domestic money something that is not used as between nations—a form of money that does not and will not leave the nation, as its use is purely domestic. And such a money is the kind to be most relied on for maintaining a regular normal supply.

"The things of which I speak appeal to your common sense! Let no set of men do your thinking for you on a question of public policy! The man who is afraid of public discussion has an evil intention! Weigh all things and accept no man's judgment except as it will stand the test of unselfish analysis! The human mind, truly desirous of the common good, is divinely moulded, and can successfully work out the destiny of mankind! The human race has passed through centuries of torture and slavery, by letting the privileged classes think for them on public questions! Let us now resolve that the dawn of man's emancipation is at hand!"

COIN had closed for the day, and as he did so, Rev. Dr. Thomas rose in the audience and said:

"I have listened attentively at this School, and I now understand what was said on the first day about the religion of politics. While we ministers are trying to save souls, the devil is industriously at work driving men to poverty, despair and to crime. And I can see how religion is at its best in politics, and politics at its best may be a heaven on earth. The ministers ought to all engage in the study of this subject—I hope they will. If the men who are making munificent donations to endow colleges will aid with their means such avenues of learning as this, until the people of this United States are brought into one great school of education on the subject of civilization,

as affected by the laws of a government, I can see how this knowledge may spread rapidly. And it means, if pressed, the beginning, soon, of a civilization so grand and so inspiring as to transcend all earthly things."

The Rev. Dr. Thomas was followed by Mr. S. L. Clemens, the noted writer under the nom de plume of "Mark Twain." He rose and said:

"I was once asked by the newspapers to write an article entitled 'My First Lie.' I wrote it. I could not remem-



A PANIC IN A BED ROOM.

ber the first lie, but I did remember the second. I had discovered that when a baby if I cried I was petted and got about all I wanted. To be stuck by a pin was followed by petting and sugar. So, one day, the pin not sticking, I thought it did and cried as if it did. That was my second lie—I don't remember the first. But as I wrote on the subject I thought that nearly all mankind was lying from morning till night, from the time they

got up in the morning till they went to bed at night. I speak of the lie of silent assertion. For instance, it would not be possible for a humane and intelligent person to invent a rational excuse for slavery; yet you will remember in the early days of the emancipation agitation in the North the agitator got but small help or countenance from any one. Argue and plead and pray as they might, they could not break the universal stillness that reigned, from pulpit and press all the way down to the bottom of society—the clammy stillness created and maintained by silent assertion, the silent assertion—that there wasn't anything going on in which humane and intelligent people were interested.

“What I am arriving at is this: When whole races and peoples conspire to propagate gigantic mute lies in the interest of tyrannies and shams, why should we care anything about the trifling lies and little crimes and shortcomings of fellowmen that receive so much attention from the press and pulpit and society of to-day? To sum up: The silent, colossal, national lie, that is the support and confederate of all the tyrannies and iniquities that afflict the people—that is the one to throw bricks and sermons at. Little man,” addressing COIN, “more power to your elbow! and every rugged and honest heart in the land will say amen to what I have said!”

And others spoke, until the close of the School session for the day resembled an old time class meeting.

**END OF FOURTH LESSON.**

## CHAPTER V.

### THE FIFTH DAY.

On the assembling of the School on Friday, the fifth day, there was unusual interest manifested from the known fact that "Trusts" was to be the subject discussed.

From a reading of the morning papers it was evident that the little schoolmaster had broken the lances of the "royal dragoons" who now, as it were, circled about him in the arena of debate, observing him closely and hoping for vantage point that had not been discovered.

His manner of conducting himself, his charity, his fairness, candor of meeting all questions, and, withal, his appeal to his hearers' intelligence, had resulted in making the abuse of the newspapers of the privileged classes sound silly and out of place. The subject had been put upon the high plane—that the true purpose of human government is the promotion and development of the human race—and upon such a field of conflict the advocates of special privileges were at a disadvantage.

He appeared promptly on the platform at the time for the opening of the exercises, and was greeted with hearty applause.

"All over the land," he began, "we see wealth and opportunities passing into the hands of the few, and the number of the dependants increasing. The land, upon which should be the homes of the people, their homes by ownership, and the industries that were formerly divided among the millions, with each mainly his own employer, or the hope of being such, now passing rapidly into the ownership of a few. The employees becoming, relatively,

more numerous, with a growing feeling of their dependency upon the few who own the wealth and the opportunities from which a living can be made. The employees are now mainly tenants; or, where they are the owners of homes, uncertain as to the duration of their employment; or as to how soon the home, beautified by wife and children, is to pass into the hands of others, when employment is lost, or must be sought elsewhere. Tens



A WARNING FIVE YEARS AGO.

of thousands are discouraged in the unequal strife and have lost hope and incentive. Other tens of thousands are buckling on their armor for the impending struggle!

"The concentration of industries and wealth in the possession of a few are known as Trusts. They are sometimes referred to as combinations or monopolies. They did not spring up in a day. The centering of so much wealth in the keeping of a few has been going on for

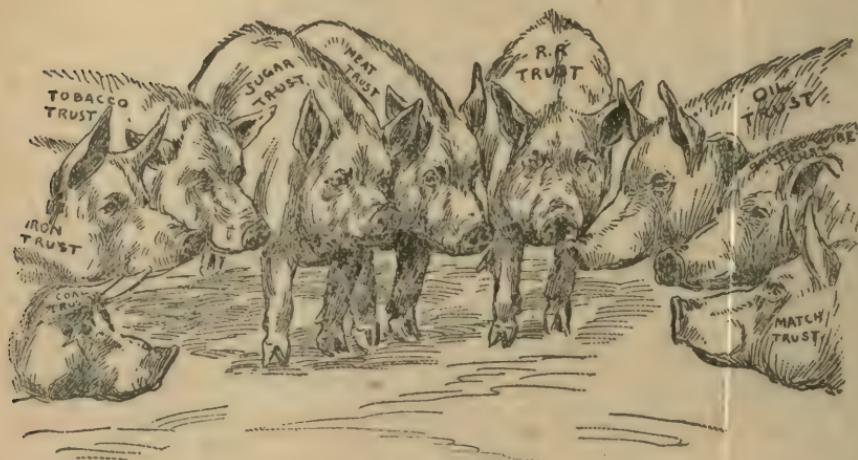
more than twenty-five years, and now assumes proportions that attracts the attention of every one. In the previous days of the School we have learned the reason for the property of the many passing into the hands of the few.

"In order to act intelligently and remove the evil, we must know the cause of Trusts. All remedies will fail unless the cause that produces Trusts is removed. The previous days of the School were necessary for you to understand the subject upon which we have now entered. In my 'School' held in this city beginning March 4, 1895, I gave as the natural result of the workings of our financial system the coming of the present situation, and I now call your attention to a picture used in illustrating what was then said."

COIN displayed the picture referred to, to the audience. It appears on page 24 of the report of his SCHOOL of March, 1895. He then continued: "The little pigs as shown in that picture are now large, grown-up rooters! Those who have understood the financial question have always known the cause of Trusts. Those who have held different views on the financial question, but who recognize the great danger of Trusts, are reluctant to recognize the error of their previous opinions, or being interested on the side of the Money Trust, are willing to find other excuses for Industrial Trusts, rather than believe that the business that profits them is the cause thereof. And others, free from selfish motives, have honestly differed as to the cause of Trusts.

"It was obvious to many in 1895 that this would be the situation. The gradual bankruptcy of the people, under falling prices, is causing our factories and business institutions, and lands, to pass into the ownership of the creditor classes—the money lenders. The passing of

the property of the many to the few thus gradually went on. When the business and industries belonged to the millions, competition regulated prices and combinations were impossible and not thought of. The nearer the ownership came to be reduced to a few, the more possible became meetings of these men, to make agreements for controlling trade and fixing prices, that they would all agree to charge for the articles produced.



THEY ARE NOW FULL GROWN.

"The idea first arose with them from its becoming a necessity. As the quantity of money in circulation—money in the market in search of property—grew less, the prices of products went down, till there was no profit and often a loss in their production. This led to meetings where the owners of factories conferred as to what might be done to save themselves from further loss and ruin."

"Why didn't they organize to defend themselves against the Money Trust?" asked John Fay of Ashland, Wis.

"Some of them did try to," replied COIN. "The manager of the Columbus (Ohio) Buggy Company and a few others saw the cause of falling prices, and tried to direct the attention of others to it; but many of these same men were stockholders in banks, and a majority of them were either under obligations to bankers for loans and afraid to antagonize the views of the bankers, or believed that bankers knew what monetary laws were best. Many of them regarded the money question as beyond their comprehension. So they looked in other directions as to how they could better themselves.

#### THE PHILOSOPHY OF IT.

"At one of these first meetings where the owners of factories had come together, one of them made a speech to the others and this is what he said: 'Prices on what we make,' addressing the meeting, 'are so low that there is no profit over and above the cost of production. The average price of all those things which the people eat and wear and use in their business and in the building of their houses, is now about one-half what it was some twenty-five years ago.' This was true a year or two since, before Trusts found a way to raise prices," interpolated COIN, and then went on in the language of the other man: "'In proportion to population the people are not eating or wearing or otherwise using more than they did then,' said the man to the others at the meeting. 'And it means that we must each, at present prices, sell twice as much as we then sold to make the same profit that we made twenty-five years ago. Calico is now worth 4 cents a yard, where it was once worth 8 cents a yard. Cotton and woolen goods of all kinds have declined the same. Nails and other kinds of hardware have also fallen 50 per cent. Wheat, cotton and other staple products

of the farmers have likewise fallen 50 per cent. So that whether you are manufacturers of clothing, ironware or manufacturers of flour or other things you find that where one of you formerly did a business of \$300,000 each year, and at the end of the year had a dividend of 6 per cent on the capital invested, you find now at one-half former prices that you must do a business of \$600,000 to make the same profit.

"We cannot all," continued this man to his associates, "double the amount of our business, because in proportion to population, the people are not and cannot use twice as much as formerly. What it means is that as prices shrink, the volume of business, while the things handled may be as much as before, must shrink in dollars. And, proportionate to increase in population, there is only room now for one-half as many business men as formerly. If I am to do a business of \$600,000 each year as against a business of \$300,000 twenty-five years ago, it means that I must handle twice the quantity of articles, and that some one else must go out of business, as we cannot all double our business. As prices shrink, margins are cut in like manner."

"And," one of the conference asks him, "what is your remedy?"

"He replies: 'We must meet this new situation by reducing expenses. What I propose is that we consolidate. Say there are ten of us engaged in one class of business, barbed wire, for instance. Let the ten factories agree on a valuation for each, and take stock for that amount in the consolidated company. We will have then one company instead of ten. We will have one manager where we now have ten. That will be a saving of expense. Where each of us now pay a salary to a firm of lawyers, we can dispense with nine firms of lawyers, and

one firm will do the joint business for a salary much less than the total of the ten salaries now paid. We each now have a set of traveling salesmen covering the same territory. We can let nine sets of traveling salesmen go and keep only one set. Where we each now run an advertisement in the papers, only one will be necessary. It will be another saving. In like manner there are other places where the expense can be pruned down. The combined concern will be a larger buyer of raw material than either one now is; that will enable us to buy cheaper. In this way there will be a saving of expense that will increase the margin of profit in the business.

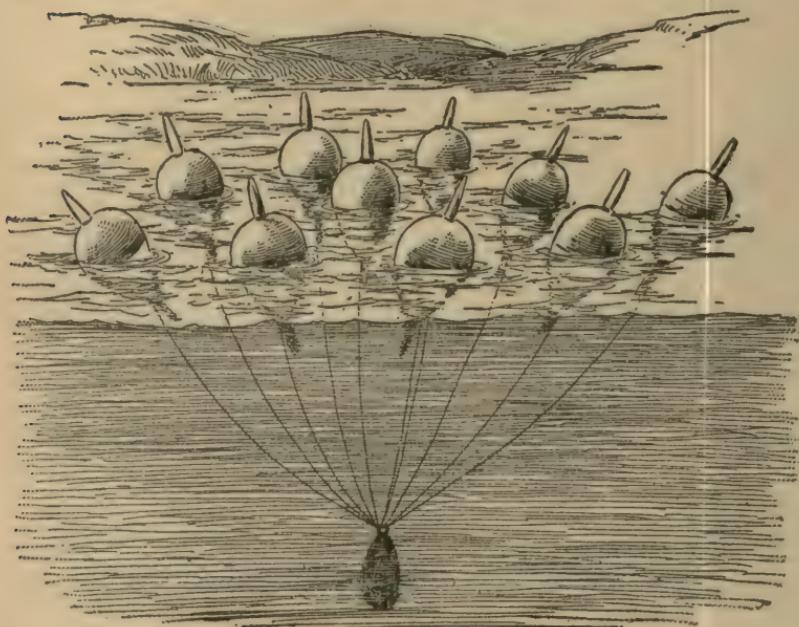
“Where each of your traveling salesmen are now competing to get orders, with one set of traveling salesmen on the road there will be no competition and prices can be more easily maintained. So that while reducing expenses at one end, we will be increasing prices at the other end. You will each of you in this way receive more profits on the money invested than you will to go on as you are now doing business.”

“This advice was taken,” continued COIN, “and the formation of combines was begun. At first, to insure harmony among the owners of the combine, the stock of each was put in the name of a trustee, and it was called a ‘Trust company.’ In that way these combines have become known as TRUSTS.

“As prices of products shrink,” continued the little schoolmaster, “civilization must shrink and shrivel with it. The number of business men will grow less and the wage-earners will increase in number. It has proved true of Asia. It is proving true in Europe. And will prove true with us if our present financial system is continued. Falling prices reduces the number of business men—and proportionately as prices fall, business men must go to the

wall. It means dear money. And to pay taxes and debts, the producers and business men find ultimately that they cannot sell their property for sufficient money to pay their taxes and debts. The continued shrinkage of prices means the shrinkage of business and, ultimately, the shrinkage of population, as was the case at the coming of the Dark Ages.

"I was speaking of the ten men who had formed a



THE TEN CORKS HOLD UP THE ONE SINKER.

'Barbed Wire Trust.' On their second meeting to report progress, they found that several of their number belonged to the Iron Trust, and that among the latter was a Mr. Hanna. It developed that an advance in the price of barbed wire had been brought about very easily since the ten firms had ceased to bid against each other. They also found as a result of the higher price that a new com-

pany had started at Omaha that was offering barbed wire to the farmers of Nebraska at a slightly lower rate than the Trust was quoting. It was proposed and adopted that the Trust should quote barbed wire in Nebraska slightly below cost until the Omaha factory was either broken up or consented to transfer its plant to the Trust, on such conditions as the Trust would grant. This had the result desired. As one of the Trust members remarked, 'While lowering the price in Nebraska, the Trust would have the



THE FARMER AND THE BARBED WIRE TRUST.

balance of the United States to itself, and the latter would act as corks to sustain the one sinker in Nebraska, temporarily, while the factory at Omaha was forced to suspend.'

"Another factory was threatening to go into the barbed wire business at Pittsburg by reason of the recent advance. This was discussed. Mr. Hanna said that when the Pittsburg factory referred to came to buy its raw material

from the Iron Trust that he would see to quotations being made it on the raw material that would discourage the idea of going into business; that there would only be so much used and he preferred that all the barbed wire made should be sold through the Barbed Wire Trust, of which he was a member. The Trust before adjournment decided to advance the price of barbed wire to four cents. It was selling at two cents at the time the Trust was formed, had been advanced to three cents, and was now to be sold at four cents per pound.

"So that a Trust," continued the little statesman, "that had started for the purpose of protecting business men against the fall of prices, was now to be used to crush others, and to advance the price, where unusual profits might be made—thus laying tribute upon others. This emphasizes the principle that when a class of men have the making of laws or prices, they use it to their selfish advantage and against the interests of the common welfare. The farmer, who two years before had bought the barbed wire with which to make his fences at two cents, was now required to pay four cents. Whereas the average price of his crops had not advanced to exceed 10 per cent as the effect of war money in circulation, and he was now required to pay an advance on his barbed wire of 100 per cent by reason of the price fixed, arbitrarily, by the Trusts.

"The coal mines of the United States are now owned by such a limited number of people," continued the little teacher, "it has become practical for them to come together and form a Trust. A Trust is not always formed by the method before described. They can accomplish the same object by an agreement to maintain prices. The number owning all, is so few, a 'governing committee' can keep a watch over each, and usually money is deposited

by each to be forfeited if prices are not made as the 'governing committee' directs. In this way the Coal Trust has been formed. It has advanced the price of coal 25 per cent, or on an average grade of coal about \$2 per ton.

"There was once a large number of small dealers in coal in this city, the same as elsewhere in the United States, each engaged in his own business in a small way buying and selling coal to the many families and business men.



THE COAL TRUST.

As business became unprofitable, the number of coal dealers were reduced, and a few large coal dealers have taken the place of the many smaller ones; this business, like other business, thus centering in the hands of a few. The other day in this city a coal dealer who had about 100 teams with which to deliver coal and many of them being idle, offered coal at 25 cents per ton less than that at which the Trust had fixed the retail price for the same coal. As

soon as it became known to the Trust that he had done so, though it only affected *him* by reducing from 75 cents to 50 cents what he was to receive for hauling it, he was refused coal thereafter and his wagons went to the coal-yard in vain trying to get coal for his customers. In this manner, by the action of a Trust, this man, with 100 teams, was forced to either suspend business or comply with the demands of the Trust. And men and women and little children whose means are moderate are thus forced by the higher price of coal, to unnaturally economize in its use—and many of them to do without it entirely.

"Trusts, since 1896, have been strengthened and perfected in nearly all lines of industry handling sugar, salt, paper, coal, meat, products made from iron, leather, lumber and many other things used to eat and wear and in household comfort. Those things upon which Trusts have not been formed are mainly the products of the farmer. Farming is carried on by so many people it is impossible for them to come together and agree on a scale of prices. The farmers being widely scattered over the United States prevents a Trust being formed so as to maintain the prices of their products. However, if there should come a time when all the lands have passed into the hands of a *very* few people, they could come together and it would be possible for them to fix and maintain prices of products. While much lands are going rapidly into the hands of the money lenders, before the owners are so few in number as to be able to form a Trust on farm products, the Republic will have ceased to exist, and we will have crossed the *dead line*—something which we are not going to do. We are going to save this Republic, and the little boys and girls now growing up are going to help us save it.

"The farmers are thus at the mercy of the Trusts," he

continued, "that will lay tribute on them, making them pay more and more for their lumber, coal, salt, barbed wire, nails, harvesting machinery and the many things which they eat and wear that they cannot produce themselves.

"The farmers in all true Republics are classed among the most honored and respected citizens. And, under equal rights, are the *most prosperous* of citizens. The manner of life of a prosperous farmer and family develops mental and physical growth, making, as a rule, healthy, strong and fine looking young men and healthy, well-developed and beautiful women. They are most considerate of the rights of others. They seldom marry from motives of vanity or selfishness, a practice, where it occurs, that almost surely leads to unhappiness and a weakness in offspring. Their courtships, are, almost universally, from motives of love, thus bringing together those of a natural affinity, and resulting in strong, healthy offspring. The country mother does not intrigue to bring about the marriage of her sons and daughters, but while watching them with great motherly interest, leaves them to the natural selection of a life companion. I am speaking of a prosperous class of farmers, such as exists in all Republics before they are destroyed by wicked and evil systems of government. It is from the ranks of such farmers as I speak of that our real statesmen and great philosophers and wisest men have come; and when tribute is laid on the farmers, such as the Trusts are now exacting from them, we are permitting a system that is destroying that class of people that is the foundation of a true civilization. When you reduce them to serfs, when you make them tenants and dependants, when you break their courage and independence, you have destroyed that class that in

the past has made the Republic strong, and when gone the Republic goes with them!

“In addition to laying tribute on the farmers, who are wholly at their mercy, the Trusts are likewise planning to lay tribute on all classes of consumers. The wage-earner may, during a period of war and an issue of borrowed money, receive a slight advance in wages, but the advance in price by the Trusts of those things the wage-earner consumes will more than offset the slight advance in his wages.

“The wholesale dealer and likewise the retail dealer are now having their prices fixed for them on those things they sell, by the Trusts. For instance, the Tobacco Trust has raised the price of tobacco, and notifies the wholesale dealer what price he shall charge when reselling it to the retail dealer. If the wholesale dealer treats such dictation as an interference with his business and refuses to allow the Trust to thus run his business, the Trust refuses to sell him any tobacco. As the Trust owns all of the tobacco manufactories, the merchant cannot get any elsewhere. If he does not handle it he is deprived of a natural profit, if exclusively engaged in that business he must comply with the demand of the Trust or quit, and if in a general grocery trade, as are most wholesale dealers—if tobacco is not handled—the retail dealers are apt to buy groceries from another house where they can buy tobacco.

“We have a class of business men known as traveling salesmen. This class is rapidly disappearing under the management of Trusts. As before explained, each consolidation dispenses with a large number of these men who have been previously employed, and with the contraction of opportunities they find no other profitable employment in which to engage. These men, traveling salesmen,

were a great saving to the retail merchants to whom they sold merchandise. They saved the retail merchant the expense and loss of time in traveling to the cities where the wholesale houses are located. A traveling salesman traveling from this city a distance of 500 miles, will call on more than 100 merchants, and save them all the expense and loss of time in coming here to buy their goods. It is the expense of one man against the expense of one



THE TRAVELING SALESMAN.

hundred men; and when the expense of the one man is divided between the one hundred that he sells, it is a saving and a convenience. The traveling salesman visits the merchant and displays on the merchant's counter the samples of what his house has for sale, affording every convenience for the buyer to select and order what he wants. It brings in competition, for the benefit of the

retail merchant and the consumer, the houses of Chicago, St. Louis, New York and other cities. The traveling salesman is thus an advantage and saving.

"The traveling salesmen are among our best citizens. We rarely see one of them who is not bright, broad-minded, manly and generous. They meet and talk with all classes of people and learn much philosophy and wisdom from doing so. This is one of the things that assists in making them wise men. They are being ruined and driven from business by the Trusts. When ten firms consolidate and one set of traveling men take the place of ten, it is not a saving of that many salaries, to any one, but the Trust. The Trust does not give the merchants or consumers the benefit of it. The Trust reduces expenses by that much. And having thus destroyed competition next raises the prices on what it is selling.

"As the Trusts are formed, and get a firm footing, they are making a reduction in the number of people employed wherever it is possible; and it is possible in many ways when competition is destroyed. And having destroyed competition they then advance prices."

A Mr. Depew of New York was in the audience, who was prominent as a railway attorney and politician. He interrupted COIN to ask this question:

"One of your main reasons for opposing the present financial system is that it has lowered prices, and now you are finding fault with Trusts for raising prices. Wherein are your two statements consistent?"

"With free competition," replied the little statesman, "and an opportunity for the people to engage in all kinds of business, when prices advance by reason of more money going into circulation, the advance is general—extending to all classes of property. The products of the farmer and of those who are victims under the Trust

system all rise in price along with other property. This puts money in the hands of the people. The farmer is then prosperous and can buy what he needs. The circulation of the money is general and business multiplies. The wage-earners are all employed and wages generally advance. More traveling salesmen are employed. All these things happen where there is a general advance. Why? Because with a general rise in prices from increased quantity of money in circulation, the money received therefrom, goes into the hands of the people. It gratifies the many wants and otherwise sets in motion a thousand little industries among the plain people where each may be his own employer

"On the other hand," he continued, "when the Trusts advance prices, only those things advance, in which the Trusts are interested. They are the only ones benefited—already rich, more riches are added to that which they have. Those who are most in need of having their condition improved are not benefited. On the contrary, they are injured. The wage-earner, seeing his employer—the Trust—making money, may with his associates get an advance in wages by a *strike* that forces a more even division. But this proves only a seeming advantage to the wage-earner. The Trust factories are soon found to turn out more than the demand consumes. Then a shut-down is ordered of one or more or all of the factories for a time, and the wage-earner in the end, by loss of time, receives less wages in the aggregate. The farmer finds that the market for his products ultimately is limited to the Trusts, the Elevator Trust, the Cotton Mill Trust, or other Trust that fixes a price for him on his products. And he finds that he is bitten on his way to market by the Railroad Trust. Thus the rise in prices of Trust articles has done him no good, but much harm. It has crushed

him. This in a general way is the difference between a general advance in prices, which is healthy, and an advance in prices on the products of the Trusts. The latter presents a situation like a house that has fallen. The rafters and some of the timbers may still be in place, but the body of the house is flat on the ground in ruins."

Mr. Depew took his seat looking as if something had hit him.

"While the formation of Trusts," continued the little fellow, "is attributable to the fall of prices resulting



PRESENTS A SITUATION LIKE A HOUSE THAT HAS FALLEN.

from a confused financial system, they are increasing in growth from other reasons. As a cancer that originated from microbes may be hastened in its growth by impure blood, so have Trusts been enlarged from causes other than that which originated them.

"These are several in number. One is railway discrim-

inations. In all the big Trusts stockholders will be found who are also stockholders in railroads. A system of rebates is often given by the railroad companies to the Trusts on what is transported for the Trusts over the railroads. Thus a coal trust that puts 1,000 bushels of coal a day into a city may receive 50 cents a ton rebate, or \$500 a day. This assists the Coal Trust and gives it an additional advantage when it sees fit to put down the price of coal to destroy a new coal company that may be started and that refuses to join the Trust, and that does not get a rebate from the railroads. It is being done in the case of the OIL Trust, the IRON Trust, the COAL Trust and many of the others."

"Does not the Inter-State transportation law of Congress prevent this?" asked Mr. F. Koelling of Chicago.

"It provides against it," was the reply, "but does not prevent it. So long as politicians, many of whom are themselves stockholders in Trusts, are in charge of the government the Trusts and the politicians will laugh at the people. Laws to regulate Trusts have only served to multiply the army of office-holders who are drawing salaries from the tax-payers, and add to the burdens of the people instead of lessening the evil. All laws attempting to regulate Trusts condone an evil and permit it to remain.

"Another source of nourishment to Trusts," continued the little schoolmaster, "is our imperfect patent laws. Most of the articles produced by Trusts are made by the



MR. DEPEW TAKES HIS SEAT.

use of improved machinery, that lowers the cost of production. Large combinations of capital can more easily than can the plain people buy these patents, and thus owning them, in many cases, it is difficult, were there no other reason, for new plants to start and compete with the Trusts. They watch the new patents, and where one is an improvement on those in use they buy the new patent and use it, or do not use it. Having secured the sole right to use it, no one else can do so. Formerly, before the property of the many had passed into the hands of the few, the right to use a patent was usually sold by counties, and some one in each county had the right to use it, but now a Trust will buy the exclusive right to the patent for the whole United States. Thus Trusts that originated through a general fall of prices, due to the monopoly of money, now have the opportunity to seize upon other means for increasing their growth.

#### THE NEWSPAPER TRUST.

"A Trust that threatens us in a more vital spot, probably, than others," he continued, "is the Newspaper Trust. In the fall of prices, with its influence on all business, the country newspapers have found the expense too much, as a rule, to continue publication if all the type is required to be set in the office of the paper. This has led to the establishment of a few large printing plants that reduce the expense and furnish the country editor each week his paper, with one side of it printed. The country editor has the type set in his office for the other half of the paper—the half that contains the editorials and the local news—and then goes to press with his paper at less expense than if he set all the type in his office.

"The central houses that furnish the paper with one

side printed are called 'ready print houses.' The country editor, as a rule, is now compelled to thus print his paper, because of his lessened patronage, due to the less prosperous condition of the farmers and business men of the villages, who formerly advertised with him, and who are now being gradually replaced by Trusts in the form of 'department stores' and otherwise.

"The large 'ready print houses' being few in number, all in the United States being owned by not to exceed some seven or eight firms, they have come together, the larger ones have, and entered into an agreement to maintain prices. So, if a country editor tries to shift from one to the other of these plants, when prices are raised on him, he is quoted at each place the same price. These 'ready print' houses' also furnish what is called 'plate matter,' which is moulded from impressions on type that can be used, a column, more or less, at a time, in papers, where the type is mainly set in the office of the paper, as is often done in city papers. An agreed price is also maintained by the 'ready print houses' that are in the Trust, on the plate matter.

"The side of the country paper printed by the 'ready print house' contains all the general news. A long list of Republican party papers are thus printed by a 'ready print house' and by the same house is printed a similar list of Democratic and a list of Populist papers, and it tries to please them all by printing that class of news in each that will likely interest the readers of each class, respectively. This is the way at present, the country newspapers are, as a rule, printed.

"In the crusade that is about to be made to save this people from impending slavery, we should rely mainly on the country press. The news columns on one side of a country paper should reflect the facts on which the

editorials are based, printed on the other side of the paper. Our fight must be to dissolve all combinations in restraint of trade, and, to show that if successful, our remedy leads to such a prosperous condition of the farmers and business men generally that the country editor will again be independent, able to set his own type, and print a profitable and more progressive paper. This would either dissolve the business of the 'ready print houses' or make



THE COUNTRY EDITOR.

the country editor an independent competitor as to printing his own paper. It would break up the Trust agreement that now exists between the 'ready print houses.'

"If, in the struggle on which the people are now entering to dissolve Trusts, the Newspaper Trust openly or secretly, takes sides with the political party that champions Trusts, they can injure our cause by printing mat-

ter in papers advocating our cause that one friendly to our cause would not print, and omitting to print those things that should be printed. We are now nearing the *dead line*, and the American people must act quickly and vigorously, if they would not be slaves, and should the Newspaper Trust openly or secretly antagonize our cause, an organization of the people must instantly put 'ready print houses' in operation to be conducted till our editors and people are emancipated from industrial slavery. The country editors are among the most patriotic of any class of people. As a rule they are industrious, self-sacrificing, and intelligently devoted to the principles of free government. They abhor being a dependent citizen, would be independent citizens and hope to make this a nation of independent citizens. We should encourage and aid them and watch zealously any point of attack where we are in danger of losing their assistance. The country editor should feel that the responsibility is his! He should be an educator and fearlessly but charitably defend the heritage of liberty."

Mr. Warwick Saunders of Omaha was in the audience and he was much pleased at what COIN had said. Mr. Saunders is manager for the Country Publishing Company of Omaha, that prints one side of about seventy-five Democratic and Populist weekly papers, and his firm is not in the "Ready Print" Trust. He is a sincere advocate of all that the little statesman had said, since the first day of the School. The Trust has cut the prices in his territory, but the country editors for whom Mr. Saunders is printing one side of their papers, have loyally stood by him, well knowing that if the Trust succeeded in ousting him, that prices for "ready prints" would be advanced higher than ever before.

Mr. Saunders now rose and asked a question that turned the subject.

"I would like to have you state," he said, "when the first Trust was formed."

"In 1873," replied the little teacher, "when silver was struck down as a competitor with gold. The Money Trust began forming soon after the war to control the volume and issue of money, the same as Industrial Trusts have since sought to control the products in which they deal. The Money Trust may be said to have succeeded and fastened itself upon the country in 1873. With each year since then the bankers have strengthened their organization. Of the 12,804 banks in the United States, which means some 300,000 directors and stockholders, nine-tenths of them belong to an organization that meets annually, that is influencing and shaping financial legislation. This organization is the principal ally of the political party that champions the interests of the privileged classes. In each village or town where there is a bank, except in the instance of a very few bankers, who have unselfishly taken up our cause, the local bank or banks are constantly bringing influence to bear on the business men, who are borrowers of the banks, to have these business men support the political party that the banks favor."

"What is the outcome if class legislation and Trusts continue unchecked?" asked Mr. J. F. Glasgow of Indiana.

"The Financial Trust will own all the other Trusts," replied COIN. "After the present temporary cause for the increased money in circulation has passed, the consuming power of the people will diminish. When war and famine money have all passed into the hands of the money lenders in payment of interest, as it will, the situa-

tion will be intensified. Consumption of Trust articles will decrease, and Industrial Trusts will begin to compete with each other by each going into the other's business. This will result in debts, and bonds and mortgages on Industrial Trusts, till their property passes into the hands of the MONEY TRUST.

"I would like to know," said W. J. Corner of Davenport,

AS IT IS NOW.



AS IT WILL BE.

Iowa, "to what extent the people are small stockholders in Trusts?"

"In organizing Trusts," was the reply, "the main promoters, frequently, seek to enlarge their capital by getting small sums of money from numerous people. They do this by enticing them to buy the stock as a speculation.

The promoters then bear the stock on the stock market and wipe out the holdings of these numerous small stock-holders, which gives the few who are in charge the ownership of all. In this way, at times," concluded the little teacher, "numerous people become temporarily interested in Trusts."

Mr. Aaron F. Hatch, an attorney representing many Trusts, rose and put this question:

"Say, a department store brings under one roof, every line of business, at a saving of \$10,000 each year, in rents, and a further saving in the way of management and in buying, and in many other ways, thus reducing the cost of everything to the consumer. Why is it not an advantage to all the people?"

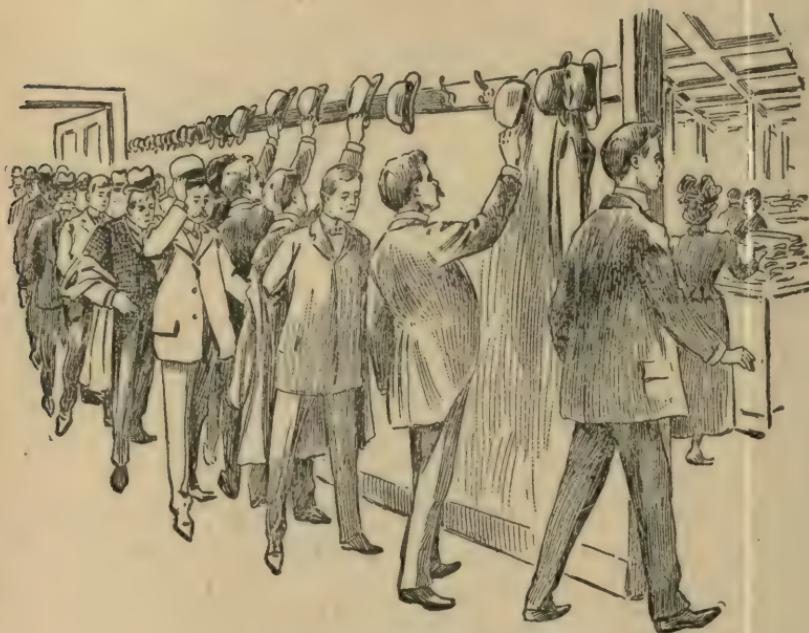
"The reply is this," said the little boy: "It *may*, in the end, result in higher prices for the Trust articles, for a department store is a Trust. But admit that it will not —what aids the general welfare is a system that tends to an equal distribution of wealth. The department store having driven all the shoe merchants, the hat stores, the groceries, the dry goods men, the dealers in meats, and others who dealt in separate lines, out of business, the profits, if any, are centered in a few and not distributed among the many. It is not the price we pay for the hat we wear, or the shoes or clothes we wear, so much as *what price do we receive for those things we sell and our services*. If under an equitable system, we receive more for those things for which we are paid money, than under the present system, we are able to buy; whereas, now, receiving less ourselves, we may not be able to buy those things we need. The people who work in factories that produce cotton fabrics at 2 and 3 cents a yard, will not be able to buy many comforts or necessities for themselves, no matter how cheap they may be. And those

who raise the cotton, under such a system, are perpetually doomed to be serfs.

"With prices higher, by reason of plenty of money in circulation, a general rise of prices, not of Trust articles, but of everything, and the people prosperous, a man will walk into a hat store or a shoe store to buy a hat or a pair of shoes, in preference to going to a department store. Why? Because there he meets the proprietor, a man who is making a specialty of hats, or of shoes, as the case may be, a man who studies the shapes of men's heads or feet, a man who feels an acquaintance and respect for his customers and neighbors; who from self-interest and stimulated by competition, will try to please. The customer gets something better—a better fit—than if he had gone to a department store, and he is willing to pay a better price, for he is prosperous and able to do so. On the other hand, as now, the pinching times tend to drive people to the department stores, where they compromise their desires and take that which will answer their needs at the lowest price obtainable.

"And, a more serious thing than any that has been mentioned," continued the little fellow, "is this: The men who formerly owned the hat stores, the shoe stores and other lines were men engaged in their own business. They were proprietors. They could put on their hats and walk out of their place of business at any time in the day, could be public spirited and meet their fellow-citizens in town meetings at any hour; could go home an hour earlier than usual in the evening and play with their children till the evening meal was ready; and in other respects be *independent citizens*. But not so now. These men are being driven out of business by the Mercantile Trusts, that bring everything under one roof, and they are seeking employment at the different counters

in the department stores. Men who once owned a business of their own, may now be found behind the counters in department stores. When they come in, in the morning, they are told to hang their hats on a row of pegs provided for that purpose, and when they go out, to walk easy and make no noise. They cannot leave till quitting time comes. They are no longer independent citizens, such as the citizenship of a Republic should be composed of, but dependants, without time for and a les-



A DEPARTMENT STORE.

sening inclination to be public spirited. A nation of dependants soon means a nation of slaves, unless they throw off the system that is enslaving them!"

Mr. Hatch is a man who would have answered COIN, if he could have seen how to do so, but none occurring to him, he sat down.

COIN continued: "The remedy for Trusts is to first

bring prosperity by establishing a sound, healthy financial system. A prosperity that will bring higher prices for products and services, to all, to the farmers, to the

#### DEPARTMENT STORE.

Questions Applicant for position must answer in a department store in Chicago:

Give list of names and addresses of all former employers, in the order in which you were employed by them, beginning with the last employer.

What is your age? Single or married? Do you live with relatives?

Do you keep house and what rent do you pay? What do you pay for your room and board?

Are your parents living? If so, what is their address?

If your father is living, what is his occupation or business and weekly earnings?

What means of support have you other than your salary?

Have you brothers or sisters, and if so how much do they contribute to the support of the family?

Give names and occupations of your brothers and sisters, if you have any?

If you give all your salary to your parents, state what they allow you for car fare and incidental expenses.

I hereby affirm that the above is a true and accurate account of my past record. I have never worked for anyone whose name does not appear in this statement.

Signed.....

to abolish the Financial Truust. So long as the blood of civilization is corrupted, and drained from the arteries and veins of commerce the limbs will be paralyzed and sores will break out on the body politic.

wage-earners, to the lawyers, doctors, dentists, ministers—to all—and set going anew numerous small businesses, whose competition will break down the Trusts. A financial system in the interest of mankind. The remedy is to first do this, and kill off the Financial Trust that has bred and born and caused all the other Trusts. The Money Trust is interested in increasing the price of money—its product. It wants the money to buy more and more of your property. It has made necessary the other Trusts. Those who formed the Industrial Trusts were forced to do so by falling prices. So long as the first continues, the latter will continue to exist. It is no remedy to 'regulate' trusts, their existence is wrong. The nation must be brought back to a condition of independent citizenship. The first thing to do is

"Then," he continued, "you can treat the sores successfully. The tendency will be for them to disappear. Those things can be corrected, on which Industrial Trusts may continue to feed for a time. The government can take charge of all the railways and change the patent laws, to pay a premium on useful patents, throwing them open to general use by any citizen. The government has a right to condemn anything, for the public good, by paying compensation. The government should do all things affirmative and negative that will secure *equal rights to all and special privileges to none*. The men in the Industrial Trusts should assist in destroying the Financial Trust, and bankers who would save their progeny and who would assist in saving civilization should rise above petty selfishness and help us in this great struggle for mankind! If not, then let them answer to God! The people must act and act quickly!"

This closed the School for the day. The interest that had been manifested was intense and for more than an hour groups of persons remained in the hall in conversation on the topic that had been discussed.

END OF FIFTH LESSON

## CHAPTER VI.

### THE SIXTH DAY.

The fifth day's session of the School in the news columns of the Chicago papers appeared without editorial comment, except in the Chronicle, which, on the whole, approved of what had been said. The other papers were editorially silent.

Trusts were not as yet an issue between the two existing political parties. It was a foregone conclusion that the "Democratic party" would declare strongly against them; but it was not so certain as to what the "Republican party" would do. And in the meantime the other four morning daily papers that were certain to support the "Republican party" ticket in 1900 were circumspect or silent. They were insistent and bitter in opposing all reformers or any change in existing conditions; but were not yet ready editorially to claim advantages for the existence of Trusts, though opening their columns for others to do so.

In this respect these same newspapers were following very much the course they had pursued on the gold standard and other laws that had perfected the Money Trust. At first they had opposed the gold standard and clamored for the remonetization of silver. Between '76 and '80, the Tribune had done so vigorously, and the Inter Ocean had continued its opposition to the gold standard as late as 1895. But gradually the money power had chloroformed the patriotism of the owners of these papers and deadened their sensibilities to the blow that was about to be struck. And now the same process was going on that

would ultimately, as was plainly to be observed, bring them all around to the advocacy of Trusts as they had become the insistent advocates of the gold standard. But for the present the transformation was only in process of accomplishment.

Intuition prompted the proprietors of these papers and also the power for evil behind them, that, to oppress the people and to have the latter assist in putting the yoke of despotism on their own necks, they must be dealt with diplomatically. So, in the meantime, ridicule and scorn of all reformers would be their policy. They were now standing boldly by the Money Trust and were preparing with all their influence to protect Trusts of all kinds. They would advocate regulating them, as they had favored each piece of patchwork brought forward by the bankers as the timbers in the Republic cracked and groaned under the influence of an erroneous monetary system.

Would one of them break loose from its environments and strike in defense of mankind? This was the hope of many. The circulation of the Chicago morning dailies—five of them—sweeps the great central states, and not one of them opposes the money power. The concentration of wealth in the hands of the few has carried with it all the great morning daily papers in that city—that are now either muzzled or turned against the people upon whom tribute is being laid. Should one of them turn to the cause of liberty, it would be because a philanthropic spirit had won the mastery in the breast of its proprietor over the destructive spirit of Evil.

The historian will be asked the question, Why was not a newspaper started in Chicago to advocate the cause of intelligent human liberty? The answer to the question is, That the present Chicago newspapers own for that city

the exclusive right to the news service of the Associated Press that receives daily over the wires of the telegraph companies the news of the world. The existing papers will not divide that privilege with a new daily paper. And no newspaper, no matter how just the cause it advocates, can succeed that does not lay the news before its readers as fully as do the other papers.

Those now organizing for the supreme struggle of mankind will have to, in part, rely upon some system of general education that is not dependent upon the metropolitan newspapers. It was at a time like this, and in an emergency such as described, that the little character whose history this book relates, was giving his School in Chicago.

On the morning of Saturday, the sixth day, a delegation of some thirty people arrived from Nebraska and at COIN'S request seats were provided for them.

The little teacher promptly appeared on the platform at the usual hour and announced that there would be two sessions of the School for that day, in order to close with the present week, the last session being fixed for 8 P. M. He began :

“On the first day we analyzed the true principles of human government and noted the dangers to civilization that might come from laws that gave privileges to a few, that in the end would, if continued, work the ruin of the many. In the subsequent days of the week, we have traced the rise of class laws in the United States, and can see their destructive influences. They are now culminating for the overthrow of the Republic!

“Republics are not, as a rule, destroyed by forces from without. They are destroyed by influences from within. The lancet that opens the veins of a Republic and lets out its life blood is *class legislation*. And class laws are

prompted and obtained through narrow selfish motives. Self-interest can best be served by promoting the interest of all; but narrow selfishness seeks to build up self at the expense of others, and in the end, if permitted, destroys the common good. Unhampered, as such men have been in recent years in this country, class laws become numerous, and the process of transferring the property of the many to the few, as we have seen, goes rapidly on. All classes of people who can do so are now forming themselves into unions or combinations for self-protection. And, not intelligently understanding the cause of their discomfiture or thrown into confusion for the want of union of action, looking to the good of all, the friction increases, till riots and disorders are of common occurrence.

"Troops are called out to quell these riots and the heavy hand of the law for a time brings peace and order, only a little later to see the people, restless and discontented, again protesting in some violent form, requiring a new call for soldiers to suppress and scatter them. Many of them are cowed and humbled and with spirits broken are willing to kiss the hand that smites them.

"The evil system continuing, the number of dependants increases, and in mad competition for the limited opportunities to work and gain a living they strike blows at each other, and again the soldiers come and drive them into subjection, while the awful cloud of despondency settles down darker than before on the country. These are the symptoms of a Republic breaking down.

"The men, securing class legislation, cater to the law-makers, and while the former are getting their laws the latter also pass other laws unnecessarily increasing the number of office holders, till a swarm of office holders of no particular necessity come into existence, all drawing

salaries from the people. Taxes increase. Corruption is fostered. Bribery becomes a common practice. Finally the men who sought and obtained class legislation, setting the evil example of a few preying upon the many, become disgusted by increased taxation and the flagrant crimes that have grown from the seed they have sown,—and desire a change from a popular form of government. This is the cause of Republics breaking down.

“They then, talking among themselves, say one to the other, ‘The Republic is a failure.’ These men of class legislation so talk. Having obtained the wealth of the country, they desire to lower taxes and to get rid of the politicians. They want a king or an emperor, who will appoint all the officers necessary and who will recognize no political crimes except that which is concealed in privileged legislation. This step usually begins by centering all power in the President of the Republic, and conditions approaching a Monarchy or Empire often exist in a Republic before the word king or queen, or emperor, is openly spoken.

“A large number of patriotic people see the situation as it is and know what is intended. They watch the coming change with extreme anxiety—see the privileged few with the powerful influence their wealth gives them, the dependency of so many upon them for employment and the covert or negative aid of their newspapers; see the people rioting in mad revolt; see martial law declared; see the corner grocer or merchant, whose trade is five dollars a day, throw up his hands as the soldiers go by shooting down the people, and, who, knowing naught of why Republics fall, exclaiming in unison with the privileged few, ‘Give us a stronger government.’

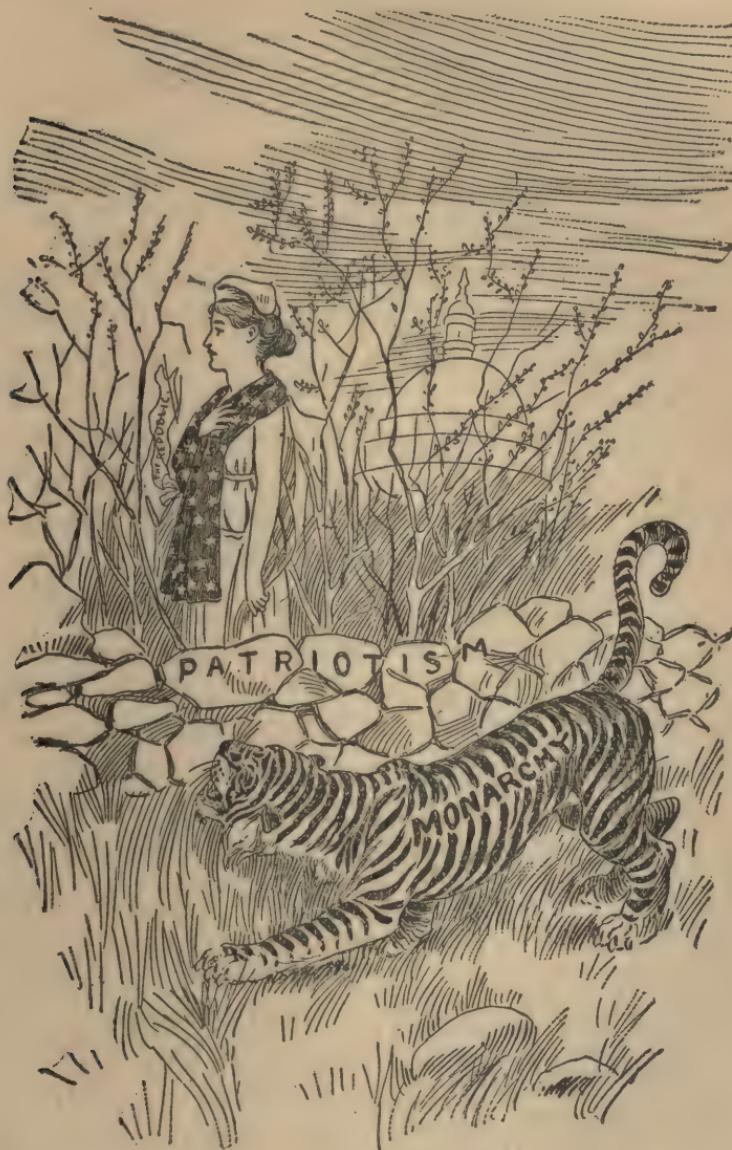
“It is thus that the work of demolition in a Republic goes on. In the meantime the privileged few, having made

up their minds to change the form of government, they watch their opportunity. They reason that to act rashly is to lose, to act cautiously is to win what they desire. They first wait for the people themselves to get more or less disgusted with a corrupted Republic. In the meantime their newspapers print pictures of kings and queens and of other 'royal personages,' always giving them their titles of assumed nobility; and otherwise exciting the vanity of the men and women, and accustoming them to the ways of Monarchies and Empires. The next step is to secure a standing army, sufficiently large to cope with a liberty-loving people who will sell their lives rather than see the Republic destroyed.

"The nation being thoroughly honeycombed with fraud, many classes of people, good people, say 'The Republic is a failure.' One man will say to another, 'Within a week two men on juries in this city have sought a bribe of one of the litigants. Assessors, for a bribe, mark down the valuation of property, all branches of the government are rotten—popular liberty is a failure.' Many, not knowing why Republics fall, will thus express themselves. By general consent the business men will want a Monarchy. The first step is a standing army. They want as little bloodshed as possible. They want soldiers to encircle the capital. They want soldiers quartered near all the cities. When the time to strike has come, the army is used to overawe the people—Congress is driven from the halls of the capitol—this is the way it has been done in other Republics, and it is the way they are plotting to do it in this Republic, little realizing that while a Monarchy may bring to them security and peace, it is the peace of death to mankind and to civilization.

"As a rule, while waiting, the opportunity presents itself. An evil system ripens one part with an other. A

selfish force having despoiled its own people, seeks other peoples whom it may despoil. Having preyed upon its



own people, with an enlarged appetite, it looks about for other peoples to prey upon,—which is called *conquest*. It

was so with Cæsar and was true of the fall of the Roman Republic. It is what may be called a national appetite. It means that selfishness has developed among the individuals in such a nation till it is of national character. This nation is now in that condition and the boys growing up are coming of age none too soon to save it from the fate that otherwise awaits our Republic.

"The opportunity the privileged classes have waited for has come about in this way: Recently Spain, one of the Monarchies of Europe, had permitted its privileged few to lay tribute upon the people of Cuba, till the latter had risen in revolt and were contending against the soldiers of Spain sent to hold them in subjection. The non-combatants, the women and children, were being herded and starved, and the Cuban people generally had become so poorly clothed and fed as to look gaunt in person, arousing the indignation of all good people.

"Finally the United States battleship Maine was blown up in the harbor of Havana by the Spaniards, and war was declared by this nation against Spain. The war was a just one, but furnished the opportunity that the Monarchists in this country had been waiting for. All that was necessary to free Cuba was to send our ships to destroy the ships of Spain, and have them see that no more Spanish soldiers landed in Cuba; to transport to Cuba all volunteers who wished to join Gomez's army and furnish them arms and money; and, if necessary, to send our regular army of 25,000 men over there. It required less than that number of our soldiers, added to the Cuban army, to whip the Spaniards.

"It was the opportunity, however, to encourage the military spirit, that the privileged few so much desired, and a great army was called out. And bonds were issued, which pleased the money lenders. The war was soon

over, lasting only a few months. Ending so soon, it did not furnish a sufficient excuse for keeping a large army and disappointed the privileged class. But an opportunity was made to continue the necessity for it.

"At the beginning of the war with Spain, our ships commanded by Commodore, afterward Admiral, Dewey, were sent to Manila to destroy a Spanish fleet there, which they did one morning before breakfast. The Spaniards were treating the people of the Philippine Islands the same way they were the people of Cuba. There, too, was an army of liberty contending for their freedom from the tyrannical rule of Spain. The Filipinos had formed a Republic and had contended against a large army of Spanish soldiers, had captured about 7,000 of them, and had driven the remainder, some 20,000, into the walled city of Manila, at the time Dewey destroyed the Spanish fleet.

"United States soldiers were hurried over, who arrived in time to assist in the capture of the city. Our general was instructed from Washington to not allow the Filipino soldiers to enter the city, their city, the capital city of their island, and much talk soon began that the United States did not intend to allow the Filipinos to govern themselves. Our President also quartered an army of soldiers in Cuba, claiming that the people of that island were not capable of initiating a government for themselves. The Cuban people submitted because of a resolution that was part of the declaration of war against Spain, guaranteeing independence to the people of that island; and they are treating the occupation of their island by the United States army as temporary.

"By our constitution Congress declares all wars. A majority of the Senate was not then in sympathy with the evil forces that are compassing the overthrow of the Re-

public, and one of the people's Senators offered and had a declaration of independence as to Cuba attached to the declaration of war, well knowing the influences controlling the President and what might happen if such a declaration was not made; but no one suspected that the spirit of conquest would seek to go so far from home as the Philippine Islands to deprive a people of their liberty.

"The President is still keeping the army in Cuba and is protecting all the special privileges granted by Spain to her money lenders and other citizens in that island. The evil influence back of the President has since obtained a majority of the members in the Senate and has retained a majority of the Lower House. The Evil influence now has possession of the President and both houses of Congress, and it is questionable whether they intend to respect the guarantee of independence made to the Cuban people. The spirit of conquest and a desire for a standing army, it is thought, will cause them to goad the Cubans into taking up arms and again contending for liberty.

"When the American army and Filipino army were drawn up facing each other, at Manila, our general informed Aguinaldo, the President of the Filipino Republic, that his army would not be permitted to enter their capital city and demanded that his men surrender their arms. About that time Agoncilo, the minister of the Filipino Republic, arrived at Washington, to represent his little Republic. Our President and his Secretary of State refused to see him or to otherwise give him a hearing.

"If Mr. Lincoln had been President we know how Agoncilo would have been received. Mr. Lincoln would have sent the White House carriage to the depot and would have had him brought direct to the White House. And he would have said to Agoncilo: 'Sit down and make yourself at home; tell me all about your

people; how many men has Aguinaldo in his army? We are your friends and we are glad Dewey went there; you have had an awful time with those Spaniards for several centuries; does it not make you feel good to have kind strong friends like we are? You are the first Republic to arise in Asia, and we are going to give you a helping hand.'

"And Agoncilo, looking into the kind face of Mr. Lincoln, would have answered him by saying: 'Mr. President, my people have contended for liberty for centuries and feel very thankful to this great Republic for having assisted us in breaking the chains of despotism. It was the example of this Republic that nerved our arms and gave us hope. There came to us the echo of the words of your noble Patrick Henry: '*Give me liberty or give me death*,'—all of our cabins are placarded, '*independence or death*.'"

"Mr. Lincoln would have answered him, saying: 'Go to the telegraph office and cable Aguinaldo that the great Republic of the western world sends *greeting* to the young Republic of the Orient, and will *protect* it from the other nations of the world.'

"That is the way Mr. Lincoln would have talked, and those people would have done anything in the world for him. Jefferson would have treated Agoncilo as Mr. Lincoln would. But Mr. McKinley acted just the opposite. He refused to see him and did not answer Agoncilo's letter, sent to know why he was not given a hearing. The Filipino minister cabled Aguinaldo how he was received and his army knew how their minister had been treated, and that it foreboded evil to them. The next day two Filipino soldiers insisted on passing the American soldiers. An altercation occurred and shooting began. Then the American 'governor general' ordered that the

Filipino soldiers be shot down. The President sent more soldiers there and now has about 60,000 soldiers in the Philippine Islands. They are hunting down the Filipinos and shooting them just like the Spaniards did. Our main officer in command there is called 'Governor General.' The same name that Spain used for hers. He has bought the Spanish river gunboats that were formerly used by the Spaniards for the same purpose, and is sending them up the rivers to kill the Filipinos. The American soldiers, reluctantly obeying the commands of their officers, are shooting these poor people down, all, just as the Spaniards had been doing before us."

COIN was here interrupted by a Mr. Easley, a most excellent man and one of many who are reluctant to believe that a wrong intention should be imputed to our government. He said:

"Is it not a fact that the Tagales are in the minority in Luzon Island, and that the President is seeking to suppress them in order to ascertain the wishes of all their people?"

"If the President had so intended," replied COIN, "he would have said so. He has not announced that as his intention. Had he so intended he would have received Agoncilo. Don't you think so? He has, however, said that his intention is annexation. He has said that wherever the flag goes up it shall not come down. Which means that if our flag is put over a man's house we should steal his house! What he means is *conquest*, and he has said so! It is plainly to be seen that the Evil influence is controlling him! The Tagales are the only educated people in Luzon. Their President and Congress and generals are all said to have been educated in European colleges. The fact that they had about conquered the Spanish army and had 7,000 of them prisoners is some evidence that

they are the dominant people in their country. There are some ignorant tribes said to be in the northern portion of the island, but the President would hardly go to war to consult them. "No," concluded COIN, shaking his little head, "if the President had intended 'fair play' he would have consulted Agoncillo and learned all that he could about those people."

Mr. Easley next asked this question:

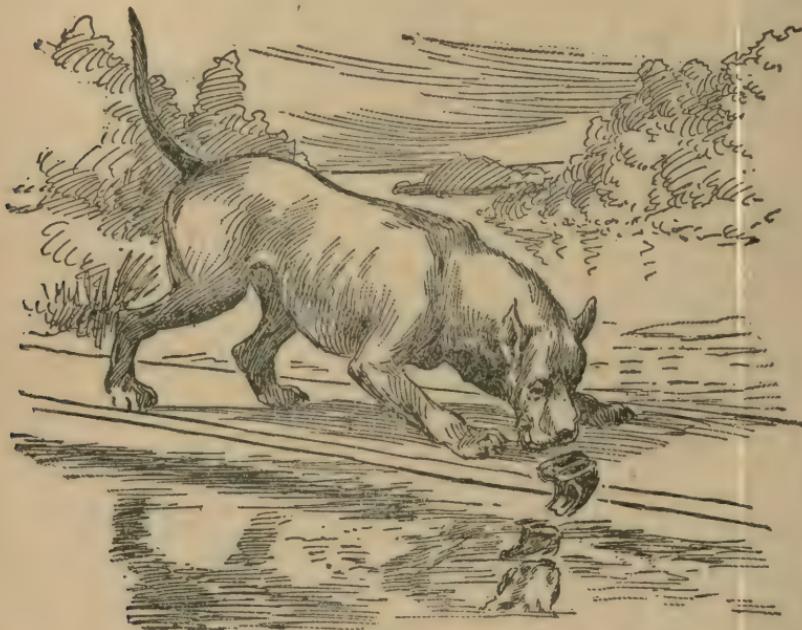
"Did not Aguinaldo, for a bribe from the Spaniards, play traitor to his people some six months before Dewey went to Manila?"

"No," was the reply. "The Spaniards thought they could buy him and tried to, just as tyrants have ever tried, with bribes, to weaken patriotic people in their struggles. They offered him several hundred thousand dollars to play the traitor to his people. When the offer was made he called his cabinet and generals together and informed them of it. It was proposed in the conference that Aguinaldo should accept the money, and while assuming to do what was expected of him, to go to Hong Kong and use the money to secretly buy and send into the island arms and ammunition which they then stood much in need of. The moral side of the question was discussed and Aguinaldo concluded that in time of war it was fair to forage upon the enemy; and that the offered bribe gave the money and the opportunity to go after arms and ammunition. His generals so thought, and he went through the lines, accepted the money, and returned after purchasing the arms and ammunition, medicines and other things they needed."

Mr. M. F. Dunlap, of Jacksonville, Ill., was in the audience. He is an avowed advocate of the Chicago platform and one of the few bankers who stand with the people on their side of the financial question. He is banking be-

cause it is permitted by law, but is willing as a matter of justice to vote down and abolish all laws and practices not beneficial to civilization. He had followed the School with interest and now asked this question:

"Many of the people are favorable to the policy of the President because it will, they believe, extend the commerce and trade of the United States. They call it expansion and believe it will improve business. I would like



THE DOG AND ITS SHADOW.

to know for their information how you answer the proposition."

COIN began his reply by relating the story of a dog crossing a stream with a piece of meat in his mouth, and seeing his shadow in the water and taking it for another dog with a piece of meat, let go the piece in his mouth while trying to get the shadow. And then continuing said:

"While engrossed in trying to get possession of the land of other people and their products, we overlook the possibilities of our own people. The United States has a very large area of land containing and producing all the things useful in civilization. To form an idea of its size I will state that you can put all the people in the world, men, women and children, savage and civilized,—1,400,000,000 of them—all of them, in the state of Rhode Island, and each one will have twenty square feet. You can put them all, *all the people of the world*, in Cherry county, Nebraska, and each individual will have 73 square feet. You can put all the people of the world in that part of the United States west of the Mississippi river and they can live and be prosperous and have practically all the things which the people of the world now enjoy.

"We have room here in the United States for indefinite *expansion*. In our narrowness we are overlooking our opportunities. We are broad compared with the animal state, but we are yet narrow. The hog under the apple tree does not look higher than his head. He sees the apples on the ground, but knows naught of how to improve the tree that grows the apples. We must see ourselves as one might see us from another planet, or as we might examine bugs under a microscope. Man's covetousness makes him narrow. We must lift the human race to a higher plane.

"The money already spent in buying a foreign people and in waging a war against them would build great canals and public improvements in the United States that would result in permanently expanding our trade at home. It would connect Lake Michigan with Lake Erie by a big canal, employing tens of thousands of people. It would do infinitely more than that. It would connect the Mississippi river and Lake Superior. If the same money

were spent on roads in Arkansas it would be a permanent testimonial to the statesmanship of the times and make of that state a garden spot. The same may be said of other states. In each instance, our home commerce would expand from the expenditure of that sum of money, much more than it will from spending it in a way involving cruelty and loss of life.

"Mr. Avon Moore has made a preliminary survey of a great irrigating canal. The headgate of the canal he locates on the Missouri, just south of where the Cheyenne river enters it. The canal thence runs about 150 miles in a southeasterly direction, crossing the southern boundary line of South Dakota, continuing the same general direction for a distance of 50 miles through the northwestern corner of the state of Nebraska, toward its western boundary. It cuts past the head of the Niobrara river. The canal will enter the state of Colorado about 100 miles west of its eastern boundary line; crossing the North and South Platte rivers by aqueducts, it follows the contour of the country, leaving the city of Denver about 30 miles to the west and reaches to the Arkansas river, stretching from the 105th to the 98th degree of longitude. The entire length of the canal will be 490 miles. The plan for it provides for eleven great reservoirs and the canal will water *fifty-seven million acres* of arid lands.

"Such an enterprise as this would be *expansion*, putting as much money in circulation as does the war on the Fili-



HE DOES NOT LOOK HIGHER THAN HIS HEAD.

pinos. It would add millions of home-owners to our population and ennable and benefit mankind. And yet these things, that have been enumerated, are but the beginning of a new, prosperous and happy era, when we shall have lost our narrowness and shall recognize that governments are instituted for the promotion and development of mankind. When we have lost our greed, our covetousness, we will recognize our opportunities for expansion, at home, and cease to grab what other people may have. We will set an example that will invigorate and stimulate other people, till they, too, are great and all the world shall sing in harmony.

“If it is lawful for the nation to spend money in a war for expansion of commerce abroad, it is lawful for the nation to spend money in a war of expansion at home. We can throw open our mints to silver, putting five millions of men, women and children in the Rocky and Sierra Nevada mountains; we can build great irrigating ditches, canals and other improvements, till the United States is a beehive of industry; we can thus pay our debts to England and stop her subtle design for *our* conquest. All these things are within our immediate reach if we will but emancipate ourselves from the privileged classes.

“As it is, like the hog under the apple tree, not seeing our opportunities at home we go knocking down fences and eating the apples of other people.

“Our course must be original and not copied from that of decadent nations. Their example is one of greed and blood and carnage. Our ideals must be newer and higher! Our backs upon the past, our faces bathed in the brilliant light of living truths, our course onward to a higher plane—a new example to all the world!!”

And here, dropping this subject, that to the audience was of fascinating interest, the little reformer continued:

"By our constitution, Congress is the war-making power. No one was intended to put our nation at war against a people unless Congress first declared the war. Our forefathers were wise in this provision. Congress declared war against Spain, and later at Paris a treaty of peace was signed. Then a second war began. The first war was declared by Congress, the second was declared by the President. The first war was against a Monarchy, the second was against a Republic. The first involved not



to exceed 20,000 soldiers in action and cost \$250,000 per day; the second war has involved 50,000 soldiers in action and is costing \$500,000 per day. The first war was constitutional and the second war is unconstitutional. It shows that power is being, arbitrarily, concentrated in the hands of the President; and that when the time comes to strike they will try to tear the constitution to shreds."

A man by the name of Governor from Iowa was in the audience and he now threw a firebrand into the School. He is a politician who is under the Evil influence. He had bitterly denounced all those who were opposing the war on the Filipinos, just as his kind living in Spain had acted when that nation was doing the same thing. He had said that if any citizen shot down one opposing the war against the Filipinos the person thus slaying his fellow man ought to go free. He said to COIN:

"You are a traitor! or you would not use such language toward the President. The war is not unconstitutional! The President has a right to quell and suppress a rebellion! The Filipinos are rebels, sir! The President does not wait for an act of Congress to suppress rebels! It is his duty, sir, to act without such authority!" and with this Mr. Governor sat down.

The little philosopher listened without amazement, and as calmly as one looking through a microscope at bugs, delivered his reply. He answered:

"A rebel is one who defies the authority of his country. One, to be a rebel, must be either a native or a naturalized citizen. The Filipinos are neither natives nor naturalized citizens of the United States. No one has the right to class them as rebels. The President claimed they were citizens by purchase from Spain. A truly Republican President or Congress would not recognize such a purchase. Republics are founded on the principle that 'all just governments derive their power from the consent of the governed.' It is only Monarchies that buy and sell people. The mission of a Republic is to set a peaceful example of freedom, which mankind will be glad to follow and that will encourage peoples, deprived of their liberty, to strive to regain their freedom. The Filipinos, encouraged by our example, having gained their freedom,

wished to establish a Republic like ours, with a President and Congress, and elections like ours. If you are in business you do not want others to come and run your business for you and put high-salaried officers in your business for you to pay. You want to run it yourself. They wanted to rule themselves, like we are trying to govern ourselves. Hence they were overwhelmed with surprise and astonishment at the way our President treated them. They did not know what many of us know, that the ruling classes in this country no longer desire a Republic,—so the humiliation and disappointment to the Filipinos were very great when we refused to hear their minister, or to recognize their Republic.

“A man is not a traitor,” continued the boy, “who defends the right of self-government. He should be commended for trying to save the flag from spoliation and a bad purpose. On the other hand, *it is treason* to try, covertly, to destroy this Republic. It is treason to Republican principles to discourage other people when trying to establish a Republic, or to give aid or sympathy to a Monarchy when engaged at war with a Republic!”

The little fellow delivered this reply without feeling or emotion and in a most kindly tone. Its reception by the audience was electrical. The sympathy the President is showing England in the latter’s effort to destroy the Republics in South Africa occurred to all, and added emphasis to the applause that greeted the little patriot’s answer.

“I arraign the President,” he continued, “*for treason* in waging a war without that war having been first declared by Congress, as required by the constitution! I arraign him for *treason* for a *secret alliance* with England against Republics struggling for liberty! I arraign the

majority in Congress as the willing puppets of the Evil influence that prompts the President!"

No one had doubted the firmness and moral courage of the little advocate, but when he became for the moment the orator, denouncing those in high position as enemies of the Republic, and charging the President with *treason*, —the older and more conservative people, for the moment, caught their breath; but the effect on the boys was just the opposite. They jumped to their feet, stood on



WHERE KRUGER WOULD HAVE HELD JOHN BULL  
HAD NOT THE ODDS BEEN TWENTY TO ONE.

chairs, shouted and waved their handkerchiefs. With *them* there was courage! They are the prototypes of the boys of the nation, whose instincts are humane and whose characters have not been warped and corrupted by covetousness! The women clapped their hands partly to encourage the boys and partly in admiration of the little

speaker. The man who had put the tart question to the little defender of popular liberty, had, at the close of the reply, drawn fire as from flint. When the commotion that had been produced subsided, COIN continued:

“A double purpose is now being served, by keeping a standing army in Cuba and 60,000 soldiers in the Philippine Islands hunting down and shooting the people as Spain did before us. One is conquest—a national appetite. The other an excuse for sustaining a standing army.

“Our forefathers warned us against maintaining a regular or standing army,—and said we should rely in time of peril on a citizen soldiery—the state troops—the state volunteers. They said that a regular army could be used by men who would overthrow the Republic, and that the citizen soldiers could not be thus used. What our forefathers said is still strongly impressed on the minds of the people and a law of long standing exists, that the regular army should not exceed 25,000 men. When war began the President asked Congress to increase it to 100,000 soldiers, but a small majority of the Senate, at that time, being on our side, a compromise bill was passed allowing the President to increase the United States army, *temporarily*, to 100,000. A majority in both houses of Congress is, since the last election, subservient to the privileged classes, and the danger is now imminent that the standing army will be permanently increased. The opportunity has thus arrived that those secretly plotting for the overthrow of the Republic have waited for. Anything and everything they want is now about to go through Congress, including a reduction of the *one per cent* money to the bankers to *two-fifths of one per cent*.

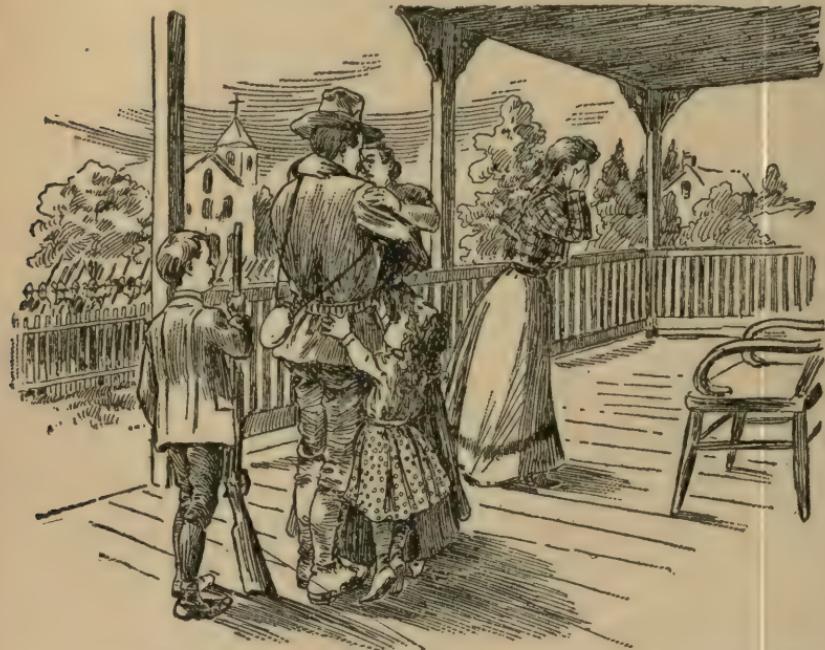
“A regular army is organized in a way that causes it to unjustly shoot down the people when protesting against a change in their form of government. The men who are

coming into possession of all the property of the people, through class laws, and the formation of Trusts, foresee that they will need a hired soldiery to protect them should the people become exasperated. They also foresee that a time of general riots and corruption in office will soon be at hand, under this system of pilfering and degrading the people, when it will become necessary, in their judgment, to establish a Monarchy ;—and they want a standing army to protect them.

“A *standing army* is mainly made up, as to officers, of men who are ambitious for promotion. Who welcome war as an opportunity to that end. The privates are, as a rule, men looking for work,—men without homes—and who have abandoned the hope of owning a home. By military law, a private soldier in the regular army is not allowed to have a wife. Thus we have an army made up of men who are in a worse condition than that of tenants ; who have neither home, wife nor home influences. Their associations are not refining. Their sphere is narrow, and to gratify their mere selfish wants becomes the usual limit of their ambition. They are trained in cruelty, till they become anxious to practice that cruelty, by planting bullets in the body of some human being. Such is a standing army. And it has ever obeyed the command of tyrants in authority—the men who give them their pay—when ordered to shoot down their own citizens protesting against the overthrow of a Republic! It is this kind of an army that the privileged class now want.

“The citizen soldiers are our state troops,—the state volunteers. They compose the army our forefathers said we should encourage. The state soldiers are allowed to marry. They have the refining influence of home. They take an interest in the government. Such an army is composed of the sons, husbands and fathers of the na-

tion; who spring to arms at the call of country and humanity! When the war is over they lay down their arms and return to the bosom of their families. Such an army is the true defender of a nation! It is the only army sacred to the soil of free institutions! And such an army will not assist those who have made wealth by law to overthrow the Republic!



A CITIZEN SOLDIER LEAVING HOME TO FIGHT FOR COUNTRY AND HUMANITY.

“Our citizen soldiers are not willing to engage in wars of conquest. They universally, some twenty regiments of them, demanded to be returned from the Philippine Islands—not *one* regiment was willing to remain! Their conduct settles for all time the question of the justness or unjustness of that war! In the war between the states from '61 to '65 the armies were made up of citizen sol-

diers. It was the First New York, the Fifth Ohio, the Tenth Illinois, or the Twentieth Iowa, as it happened, and the first and second calls were for men for a few months. Did they come back at the end of their enlistments? Till the war was over did you see regiments marching home with flags flying and drums beating? No! And if they had come they would have been hissed throughout the line of their march!

"How is it with this Philippine war? This war of conquest and design? All the regiments of citizen soldiers have returned though the war continues! And as they traversed the continent, as they marched into their native states, with flags flying, drums beating and their commanding officer at the head of the regiment, it has been amid patriotic cheers and shouts of welcome! The cheers of the people and their plaudits of welcome were partly because of love for their citizen soldiery, and partly because those soldiers had refused to aid in subjugating a people whom they had gone to war to liberate!"

This last statement was received with deafening applause, and the little orator continuing said: "We do not need a standing army in time of peace or war. Wars come preceded by months of diplomacy. There is always time to arm and drill the citizen soldiers. ONE citizen soldier is worth TWO of the standing army! The former is a man fighting for principle and humanity, and his tact and courage rises above that of the regular soldier! One citizen soldier in South Africa is worth two of the English army! One is fighting for home and children, the other for medals and pay!"

"A standing army is an idea born of Monarchies and is designed on this continent for the enslavement of the people! Any war that our citizen soldiers will not fight is an unjust war! Let a Republic be so conducted that its

people are the owners of homes and they will ever be its bulwark and defense!"

Throughout this recital of the return of the citizen soldiers from the Philippine Islands, his arraignment of a standing army, and his praise for the citizen soldiers, the little speaker was interrupted time and again with applause, the boys as usual leading in the acclamation of approval.

"Will it pay to try to subjugate foreign people? Hit 'em from that standpoint!" exclaimed Captain Parkhurst, of South Omaha, Neb.

"No," was the reply. "It does not pay. The Roman Republic tried it, depleted her treasury, and fell in ruins! Spain tried it and now lies humiliated, an object of pity among nations. England, the money lender of the world, with a power to aid her greater than had Rome or Spain, she, too, has tried it,—conquest by force and by subtlety. She now shakes upon her foundation and is ready to crumble in ruins! All honor to the Dutch of South Africa who have struck the blow that is the beginning of the end of the British Empire! Her centuries of oppression in Ireland; her cruelty to the people of Egypt and India; her covetousness in dealings with all nations, is now to react upon her! Her former sturdy yeomanry are tenants and dependants! The character of her citizenship is depleted by vanity and selfishness! The soldiers of such a nation will be vanquished in battle by the soldiers of a liberty loving people! The experience of England is now to be added to that of Spain and Rome! Humbled and bleeding, her treasury depleted, she will be a new example to America!"

"Selfishness is a consuming fire that burns and destroys in one all that is true and noble! It is true of an individual and it is true of a nation! It prematurely brings old

age, and death! Conquest—the subjugation of other people—will injure us both in purse and morals!

“But all this is incidental only to the great drama of nations being played on our soil. Monarchy is ready to spring at the throat of the Republic! The privileged few seek by arbitrary force the permanent subjugation of the people. They will push a bill in Congress to increase the standing army. If they carry the presidential election in



**ALL THESE THINGS THEY WILL DO IN AN EFFORT  
TO DECEIVE THE PEOPLE.**

1900, in four years more, they will disclose openly their desire for a Monarchy! Do not deceive yourselves that the struggle will be an easy one! The forces of Evil we are combating are organized, and determined of purpose to enslave America! They will resort to all manner of methods to entrap and deceive the people. A great man,

Dr. Johnson, once said, 'The last resort of a villain is profuse patriotism!' It is as true to-day as when the words were first uttered! They will wrap themselves in the flag and ostentatiously appeal to your patriotism! They will put the names of their candidate across the pure folds of the stars and stripes! In an effort to deceive, they will thus debase the ensign of liberty! They will use Thanksgiving day as a delusion and a snare! They will hold aloft the Cross and commit crimes in the name of Christianity! They are now in many of our schools teaching false histories of the nation! They will use money to debauch the people where they can! This is the force we have to meet! Let us meet it as becomes the descendants of Washington, Jefferson, Jackson and Lincoln! As men who would not be slaves!!'

COIN had finished amidst tumultuous applause on the subject of Imperialism. He had made plain the cause of the fall of Republics. Had answered the arguments of expansion by pointing to the opportunities for unlimited expansion on our own vast area; had shown that all attempts at the subjugation of other people had been disastrous, financially, and had reacted in loss of pride and national humiliation. His portrait of the true purpose of the special classes to overthrow the Republic was vivid and convincing. That Trusts and Imperialism were the logical offspring of class legislation none doubted, and few who heard him failed to see the imminent dangers now confronting the American people. The School adjourned till the night session, that was to prove memorable on the subject of a remedy, for a nation in the hour of its peril.

## CHAPTER VII.

### THE LAST LESSON.

It was Saturday evening, and it was known to all who had followed in the local newspapers the proceedings of the School that it would close that night. Great crowds began coming early to get a glimpse of the boy, till by 7:30 over ten thousand people filled the lake park in and around the Art Institute.

Demands for admission had grown with the progress of the School, and after the adjournment of the day session on Saturday a temporary wooden gallery was erected in the room with about 300 additional seats. Besides this, every conceivable space of standing room was permitted to be occupied. The hall was brilliantly lighted with electric lights and on the platform was the easel so often used, with the one word on it—ORGANIZATION.

The interest was intense when the little statesman and orator at 8 o'clock appeared on the platform. He began by thanking all for the great respect and attention that had been shown him, and then proceeded:

"How are we to bring swiftly and surely a remedy that will put the past behind us and a glorious future before us? That is the most important question of the hour!

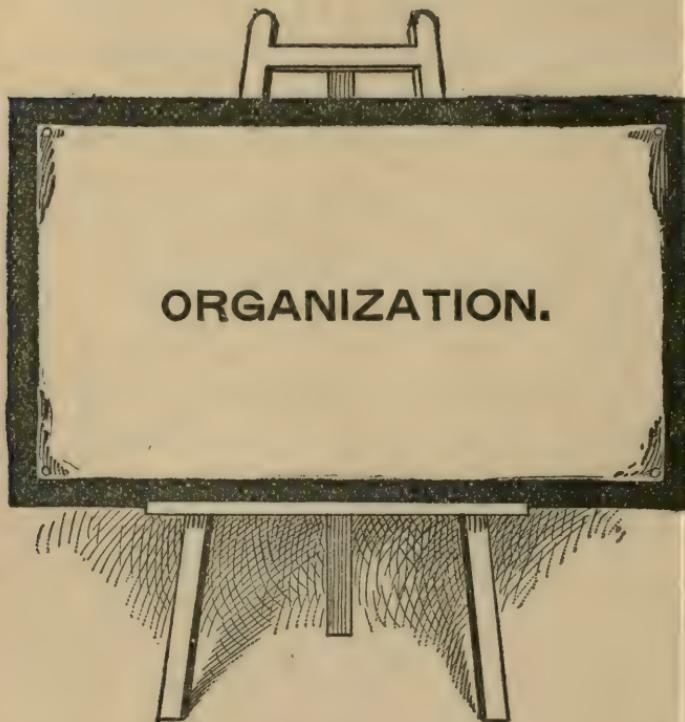
"Upon the subject of a remedy, the product of human wisdom of to-day may be improved upon as we proceed; but the foundation for the superstructure can now be safely laid. Among other things, the following are imperative:

"I. Education should be pressed till every one is

aware of the nation's peril and intelligently understands the source of danger.

"2. We should be charitable and kind towards those who oppose us and dignified and firm with those who are without charity and ill bred. And at all times be steadfast and unalterable in our purpose.

"3. While recognizing the rights of others, we should



be industrious in providing for ourselves. Besides the necessity of it, there is much happiness to be had from having one's time usefully occupied. Laziness leads to a desire to have some one support such person in idleness—and breeds false pride, vanity and unhappiness. Such people become the most selfish and the most willing to prey upon others.

"4. Boys and girls, early in life, should accustom

themselves to be honest and upright. Good habits, like bad habits, become second nature from long practice. When one becomes industrious and honest from practice, it is easy to remain so." As he said those things which he numbered "3 and 4," he looked at the boys and girls, the former especially being numerous in the middle portion of the audience, and then continued:

"5. We must learn that the laws of God are as fixed as his law of gravitation, that pain and disaster will come, now or hereafter, to individuals and nations, that do not recognize and obey those laws; and that by learning and observing them a great and glorious future will come to individuals and nations.

"6. All state troops and other soldiers should be required to study the elementary truths of civilization and the elementary principles of a Democracy.

"7. All who would assist in saving the Republic—who would not be slaves—should join together in one political organization.

"8. Thorough organization of our forces.

"9. As early as possible the Referendum should be established in this Republic as it is now practiced in the Swiss Republic, or an improvement on the Swiss plan,—which means the submission of all questions of national policy to the people—the will of the people as the basis, the government to be conducted upon strictly business principles.

"The first six of the foregoing remedies are educational, and the last three are organizational. The first-named would cover the sixth, but the sixth is to impress its special importance. These are practical remedies, that underlie all other remedies. If organized effort is not used for the accomplishment of these nine things, the specific remedies that are desired will never be enacted into

law. We must begin lower and deeper down than we are working at present, and then all things desirable will come easier, after a time.

"We must learn anew the principles that governments are instituted for the promotion and development of the human race; that man serves himself best by promoting the common good; that kindness begets kindness and cruelty begets cruelty. We must learn the elementary principles wrought from the experience of those who have preceded us in attempting to solve the problem of mankind. All this is educational, and, for success, depends on organization. Wherein the foundation work begins is *organization*. And, first, a word to the boys:

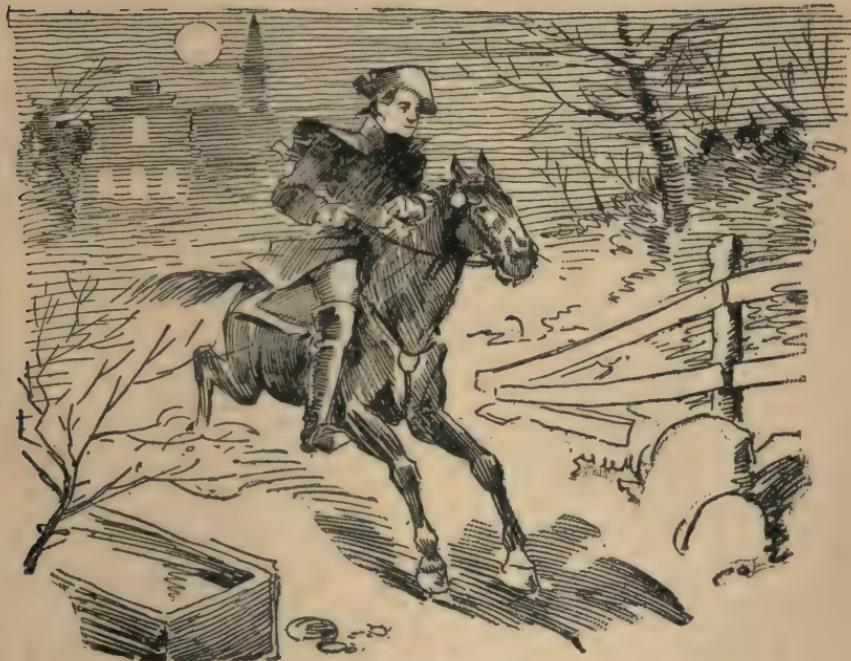
"Boys," he continued, looking at the group in the center of the hall, "upon you this struggle will mostly depend. You will be voters when you come of age. You will be active agents in setting your country right. Paul Revere was a boy who was first, in 1776, to give the alarm that the British soldiers were coming. To you we must look for the greatest source of our strength. And, girls, you are the type, when making pictures, of which we make angels. You must encourage the boys that they may all vote right when they come of age."

Speaking to the audience generally he continued:

"The inventor in the mechanics and arts, may achieve wonderful results, because the crude material is put together as the inventor directs. But not so in statesmanship—the science of government. To bring civilization to perfection the people must move en masse. Inventive minds may direct, but must wait on the people to approve. We must move en masse. This requires general education and organization. And organization is necessary to secure universal education.

"Organization begins with concentrating our efforts in

one political party. If political parties are corrupt, it is because men have neglected their duty. If we divide our votes between two or more parties, we cannot hope, so easily, to succeed. In union of effort there is success. It is as easy to make pure one of the existing political parties as it is to start and build up a new political party. The same influence that corrupts existing political parties



PAUL REVERE.

will corrupt any new political party when those who wish to use it for bad purposes see that it is coming into prominence. Our shortest road to success is to take charge of one of the two largest political parties ; make it, truly, represent the common good ; and through it, as an organization, elect a President, a Congress and Legislatures that will repeal all class laws and pass such other laws as will restore equal rights to all and special privileges to none.

To do this, it means that we must organize; and our organization must be a political party. We will gain ten years by winning to us one of the existing political parties.

“Our enemy—the enemy of mankind—the great Evil influence of which I have spoken, has tried to capture all political parties, that the Good influence that seeks to save mankind, might have no effective organization. This enemy, this Evil Spirit, a few years ago, had captured the two leading political parties, known as the ‘republican party’ and the ‘democratic party;’ and some people began the organization of a third party, known as the ‘populist party,’ while others tried to throw off the Evil influence that had taken possession of the two first-named parties. In the case of the ‘democratic party,’ our friends succeeded in 1896, and the ‘democratic party’ declared plainly on the side of the people, and nominated for President a statesman. Those desiring privileged laws succeeded in controlling the ‘republican party.’ Those in the ‘democratic party’ who belonged with the privileged classes went over to the ‘republican party.’ On the other hand, many in the ‘republican party’ went over to the ‘democratic party;’ and those who had begun forming a third party, seeing that the Good influence had control of the ‘democratic party’ commenced coming over to it. Many of them, however, hesitated, believing that the dominant influence in the ‘democratic party’ was trying to deceive the people, to get their votes, and that it would not enact proper laws if put in power.

“It is true that the Evil influence is still trying to capture the ‘democratic party;’ and the way to prevent it is for all of us to go in and help our friends in that organization. There is not time to form a new political party;—we will cross the *dead line* before a new party can grow

strong enough in numbers to save the Republic. If we are not strong enough to capture or retain one of the two political parties, we are not sufficiently strong to capture the nation. We can do so. And then the two forces of Good and Evil will confront each other: One under the banner of the 'democratic party' and the other under the banner of the 'republican party.' The names signify practically the same, meaning a democratic or republican form of government. The true purpose of the two organizations must be judged by their actions and what the men represent who compose them.

"The 'democratic party' in the main has for leaders men who are not interested in class legislation and who are sincere of purpose in trying to establish equal rights to all and special privileges to none. The 'republican party' in the main is controlled by men who are profiting by class laws, and who are seeking to pass still other class laws. Mr. McKinley was made President by them.

"A few years ago he was living at Canton, Ohio, and was in debt about \$100,000, and a few men interested in class laws paid off this debt for him, and thus placed him under obligations to them. They then put him up as a candidate for President of the United States and succeeded in electing him, using the 'republican party' to do so. This man is now the recognized head of the 'republican party' and we can best judge of the power controlling him by the men he confers with. The chairman of the Republican National Committee is a Mr. Hanna, one of the men who helped to pay the debt of \$100,000. He is the head of the Iron Trust. He has a bed in the White House, where the President lives, patterned after the style of a bed the Queen of England sleeps in, and often sleeps there. He recently said on returning from a visit

to England that theirs was a better form of government than ours.

"The President's Secretary of State is a Mr. Hay, who was formerly secretary of the Oil Trust—the Standard Oil Company. His Secretary of War was at the time of his appointment the attorney of Trusts, and his environments have taught him to believe that what the Trusts want is just and right. The Secretary of the Treasury is a Mr. Gage, who, at the time of his appointment, was president of the First National Bank of Chicago, one of the leading men of the Money Power—the Money Trust. All the other men in his cabinet are connected with some one or more Trusts, and are interested in class laws. The Vice-President, who recently died, and who was elected by the 'republican party,' was the head of the Coal Trust. From this we would be blind if we did not see that the 'republican party' is the champion of the cause of the privileged classes.

"So, having naturally decided that we will go with the 'democratic party,' we come to the next step that we should take.

"It is to thoroughly organize that party that it may grow purer and stronger, and with such an organization overthrow the forces of Evil in the United States. And how organize?

"First, we should favor an early convention of our party in 1900 to nominate our candidate for President. Our party is a party with a remedy and is therefore a progressive party. A progressive party, to be successful, must be aggressive. The earlier the convention the more time we will have to organize and educate. At the national convention, each four years, a national committee is selected, in this way: Each state delegation to the national convention selects some one as the member of the

national committee from that state; so the committee is composed of one man from each of the states and territories. This is done at the time of the national convention and the first thing done after the convention adjourns is a meeting of the new national committee.

"The committee elects a chairman and secretary, and usually leaves to its chairman the selection of an executive committee and such other committees as he may find desirable. So that practically the campaign is placed under the direction of one man, the chairman—which is proper. Thus our general—our campaign manager—is selected. Of equal importance with selecting the proper candidate for President is the selection of the chairman of the national committee. He should be a man of vast executive ability, who knows the value of time, fruitful in resources, who can systematize work, of splendid judgment, quick of decision and aggressive.

"He should be a man who can give all of his time for four years to the work, and, in order to enable him to do this, he should be paid a salary in keeping with his tastes and private expenses. He should have no other occupation, position or employment, and should not be a candidate for any office. His mind should be solely occupied with organization to advance a principle disconnected from personal advancement. No man can master two things with the success that he can master one. As a rule if he tries to do two things neither will be attended to properly. Nor can he delegate his powers without creating indecision in the executive head, or other resulting embarrassment. There must be no diminution in the highest possible service from such a man. All now depends upon this struggle upon which we enter; and our commander-in-chief is the chairman of the national committee. A candidate for President is so situated that

beyond being adviser he cannot manage the practical work—and he ceases to be a candidate within the year that he is nominated. The chairmanship lasts for four years; and it should be four years of incessant work, whether successful in 1900 or not. Success means a beginning, and defeat means, in a political sense, a Valley Forge and then a Yorktown!

“Our people should take great interest in the selection of delegates to the national convention, and each delegation should select a man for member of the national committee who is practical and of a high order of executive ability. Send delegates to the national convention firm of purpose and determined in character.

“Having selected a commander-in-chief, a chairman of the national committee, it becomes his duty to set in motion organization. In this work he will need many assistants—all of us—but two kinds of assistants. One kind that give all of their time; the other that give part of their time. Those who give all of their time should not be permitted to have any other occupation; if they have they cannot become proficient in their duties. They should be paid a salary. Those who give part of their time, as all will do, in work in their neighborhoods or otherwise, should receive nothing therefor from the committee.

“There must be a fund to financier the committee. Money, as we have noticed, in a measure, is as necessary as air and water. Success in organization cannot be accomplished without money, and a sufficient quantity of it. This must be furnished by all. The committee should have a regular income; and subscriptions, taking the form of monthly payments, should be the way of assistance the most serviceable. We should all give—a penny a month, 5 cents a month, 10 cents a month, 25 cents a month, 50

cents a month, a dollar a month, or more—and give it gladly, to an emancipation movement that is to render slaves freemen!

#### THE PHILOSOPHY OF IT.

“One who gives as much as a penny a month to such a fund will not require a buggy to be sent to bring him to the polls on the day of the election. You will understand the philosophy of why the people should financier their own political organization by examining as to how class legislation has been obtained in the United States.

“Prior to 1896, both of the two political parties were financed from the same source. The national committees of the Democratic and Republican parties received the money to pay the expenses of their campaigns, mainly, from those who were profiting by class legislation. The secretary of the Sugar Trust in 1893, testified before a Congressional investigating committee. The committee was investigating the election of 1892. He testified that his company contributed a large sum to each of the two national committees. On being asked why his company gave to both of them, he answered: ‘We want to be safe, no matter who is elected.’ Other Trusts and men wanting privileged legislation did the same, and it made little difference which party came into power. These men had placed the leaders of each party *under obligations to them*.

“When Congress met, these men of class legislation were there, with their bills, and mainly had politicians to deal with whom they had furnished money to pay the expenses of their campaigns.

“Politics had thus degenerated, till the people were taught to believe, that no one had any interest in elections but the candidates for office and those who could

make something for themselves out of it. It became a common practice of the national and local committees to seek money for campaign expenses only from those who expected to be specially benefited—and thus class legislation grew and fattened.

“In 1896, the people in the ‘Democratic party’ had become indignant and aroused, sufficiently to throw off the evil influence in their own party, and make a platform and put a candidate on it, that truly represented the people. They were so firm and determined of purpose that the men of class legislation became frightened. That is, they believed that if they assisted it, that it would result in no good to them; and, these men of class legislation all went into the ‘Republican party.’

“In the campaign of 1896, the Sugar Trust gave one million dollars to the Republican national committee; and when that party went into power, the next year, the Dingley tariff bill was introduced and referred to its proper committee. The officers of the Sugar Trust indicated to the Republican members of that committee what tariff they would like to have on sugar. It was given to them in grateful recollection of the million dollar donation to their national committee. As soon as the bill passed, the Sugar Trust raised the price of sugar one cent a pound; and in one year that one cent per pound represented two million dollars profit to the Sugar Trust. The tariff had protected it that much from competition from other countries. In one year the Sugar Company had back its one million dollars, invested in the Republican national committee, a million dollars profit, and future years to draw upon.

“These men of class legislation are not philanthropists, and they gave to the national committee for the purpose of getting the laws they wanted. They all went out of

the 'Democratic party' in 1896, and went into the 'Republican party.' Whereas, before 1896, they had their eggs in two baskets and did not care which party was elected, the action of the Democratic national convention caused them to put all their eggs in one basket. That is, to rely solely on the 'Republican party.' Thus having only one chance, they were frightened and placed in the hands of that party's national committee, ten times as much money as they had formerly given to both national committees.

"In the campaign of 1896, the Democratic national committee did not have a dollar in its treasury as late as September 1st of that year; and afterwards had very little to what was necessary. A national campaign is one of organization and education, and frequently the committee's telegraph bills will amount to as much as \$200 per day; and if the organization of the people is without money, to provide for the expense of speakers, clerks, literature, telegrams and postage, it can be defeated, with a just cause."

COIN had proceeded thus far without any interruption; but a question was now asked by Mr. "Buck" Tanner of Paris, Illinois. He said:

"I know of money being used by both political parties to buy votes. Is it excusable under any circumstances?"

"No," was the reply. And the boy continued: "Honesty is always the best policy. When one resorts to tricks and dishonest methods, it grows on him, and he will, from habit, thus resort when an honest method would better answer the purpose. There is no limit to the ingenuity of the human mind, and it can become more proficient in honest methods and accomplish more, than it can with dishonest methods. A plan that teaches the people to rely on themselves, and furnishes the money with which to send organizers into each county, can

arouse within the people the spirit of freedom—and will bring success in a just cause. There are tens of thousands of Republicans who will flock to our standard as soon as they feel that our cause and its leaders are honest; and each act of dishonesty such as you speak of, if committed by any of our people, will only serve to repel those who should come to our assistance."

Mr. W. H. Thompson, the Democratic national committeeman from Nebraska, was in the delegation from that state, that had arrived in the morning, and that had been given seats on the platform. He now rose, not to ask a question, but to make a statement. He said:

"In connection with what has here been said, I want to say that in Nebraska, we have tested the plan of interesting the people in financing their own campaigns. With one man at work four months, we raised in small monthly payments, the last payment to fall due November 1, 1900, \$20,480, in subscriptions; and during that four months \$4,500.35 of the money was paid in cash, a sum slightly in advance of what was due on the subscriptions. The same man perfected organization as he proceeded, thus starting organization in fifty counties. We found that it interested our people, and made workers out of many who never before took an interest in politics. In one of those meetings a Mr. Shoemaker of Fairbury arose and said: 'I am going to contribute one dollar a month to this movement, and I look at it in this way: If we don't go at this thing in a self-respecting way, and win, we will have to pay the Republican campaign fund of 1900, as we paid its campaign expenses of 1896. Their method is to advance the money and afterwards take it out of the people.'

"At Beatrice, a Mr. Davis said: 'This beats life insurance. You do not have to die to beat the game.' At

Plattsmouth, a Mr. Todd said: 'I will give five dollars cash and one dollar per month thereafter as long as I live,' and so wrote his subscription, saying: 'This movement ought to have started thirty years ago.' At Dakota City, a Mr. J. F. Leedom rose in the audience and said: 'I am now 73 years of age and make my living pounding iron all day on the anvil, but I will gladly give one dollar per month to this emancipation movement.' At Albion, an ex-soldier, a poor man, getting \$8 per month, pension, said that he felt that his country was in more danger now, than it was in 1861, and that he would not feel at home with his conscience if he did not give one dollar of that eight, each month, to this cause, and he is now a regular contributor to the fund.

"Some," continued Mr. Thompson, "are giving less than a dollar per month, and the highest we have is five dollars per month. While the money makes it possible for us to organize and educate, I look on the effect, as of greater benefit than the money. They all become workers. It makes of them proprietors in politics; and the man who gives nothing, seeing what his neighbors are doing, is the more anxious to help with his vote or with his services.

"The result was," he continued, "that we, this year, increased our vote by ten per cent over last year, while the Republicans lost one per cent on their vote of last year. We carried the state by over 11,000 larger majority than last year. From experience, I heartily approve of such methods as have been here presented. And I want to say further that in Nebraska we made an educational campaign along the same lines that this 'School' has followed. We explained the duplications of loans by the bankers and showed why they wanted to hold down the supply of money by demonetizing silver. We

made an aggressive campaign. And we won, mainly for the reason that the people were financing their own campaign."

Mr. Thompson, having made this statement, sat down. COIN thanked him and proceeded:

"The farmers' alliance a few years ago reversed a Republican majority of some 60,000 in Kansas; and the main reason for their success was that they financed their own campaign. The O'Connell movement in Ireland that came nearly giving Ireland its freedom was sustained financially by what was known as the 'Penny Rent.' It was a one cent, per month, contribution, to pay Mr. O'Connell's expenses and to justify him in quitting his law practice and devoting all of his time to the cause of Ireland. In an average sized county in the state of Illinois over \$20,000 per annum is paid in ministers' salaries. It means two million of dollars annually for the state of Illinois alone. These are voluntary contributions. It shows that when a cause is brought to the people and made their cause that they are willing to finance it.

"Our cause is a religion. It is God against Mammon! All religions must give way by extinction or corruption, if Mammon wins! All attempts of ministers to save souls, will make but little progress, while the people, by a system of laws, are being driven to despair and poverty! By the present system, Mammon is preparing souls for eternal punishment, in all classes of society—using covetousness and poverty for its purpose. A minister is without religion who, hearing our cause, does not recognize it as such!"

"An established church goes with Monarchy and Mammon; and all other churches must give way under a system that is establishing trusts. Our cause is a religion! And, properly managed, all the money necessary for

defraying the expenses of missionaries, and organizers, and education, will be forthcoming.

“Just so long as we look to those who are to be specially benefited by laws, for the expenses of education and organization, we will go onward to our national ruin! Let the issue be sharply defined, of the people on one side financing their own cause, and those selfishly interested, on the other side, financing their evil cause, and the triumph of God over Mammon on earth is achieved! Ten thousand men, contributing one dollar each, on our side, will have more influence than one man contributing ten thousand dollars on the other side!

“While thus managing, there are some other things we can do. We can nominate men as our candidates for Congress, who will pledge themselves to give all of their time, when not at Washington, to organization. A congressman receives a salary of \$5,000 per year. It should enable him to live without engaging in any other business. This would place at the service of our chairman of the national committee as many as 150 organizers for an average of eight months in a year, whose salaries are thus provided for. There is no better way in which they could serve their country. The people in nominating candidates for Congress, should select men who have a willingness and natural ability as organizers, and who will pledge themselves to thus assist.

“We must put our organization in motion, continuously, during campaigns and when there are no campaigns, till it is triumphant—till we have the President and both houses of Congress. It will then be well for us to remember the principle that in a Republic ‘all the people should be educated on questions of national policy’—as a safeguard against special legislation and the loss of our liberties.

"What would do this, is the separation of all questions of national policy from party politics, and submitting them to a direct vote of the people. It throws upon the people the responsibility of a decision, disconnected from partisan politics; and, will more than anything else encourage their education on questions of civilization. Those who want civilization preserved, will outnumber those, who, selfishly, want special privileges; and the common good will be thus protected.

"In the meantime, by the present method, a few remedies are quickly needed to restrain the force that is reducing our people to dependency and degradation. At the earliest possible moment we must destroy the wicked system that is draining the nation of its life blood—behind which are the organized bankers—who are mainly responsible for all our ills!

"In the order in which remedies come, organization, practical organization, and organized education, come first.

"To the man who is discouraged, let us say: 'Have hope! We are going to win! The flagrant greed of the classes is arousing the American people! Organization will make of the latter a *thunderbolt*. To those who are with the 'republican party,' let us say, 'You are welcome in our ranks—espouse our cause, the cause of mankind—and there will be great rejoicing with us as each of you comes under our standard.'

"There are men who claim to be Democrats and yet believe in the present system. To them we would say, 'Every instinct and principle of democracy is opposed to your views. Jefferson, the founder of the Democratic party, was the great leader of the people against the privileged classes. If one with pick in hand were to shatter the tomb at Monticello, it would be no less a re-

flection upon the memory of that sleeping statesman, than, in his name—in the name of the great party he founded—to advocate the class legislation of the bankers, that is destroying the Republic, founded upon the immortal document that he wrote—the Declaration of Independence! Having seen the error of their way, they, too, should be welcomed as members of our religion.

"To the men of class legislation, we would say: 'You are destroying the Republic; you are striking blows at

civilization that must be fatal unless it is rescued from your assaults. The man who com-fraction of a statute law is called You use the law to unjustly others their property—to de-life, liberty and happiness. You despair—your act reaches the There is much to extenuate and example has been set you by have been willing ciety has

mits an in-a criminal. take from prive them of drive many to infant in the cradle. excuse you. The others—politicians to help you; so-heretofore con-doned your crime



—but now the pillars of the Republic are giving way, and all who are not blind can see who the men are who are committing this monstrous crime! You are responsible to God and man! and you are responsible to your own self-respect! Now is the time to stop, to set yourselves right while you are yet living! You, too, we will welcome as the church welcomes the converted sinner!

“To the American people I would say, the chains are now being forged, intended for our hands. Will we wait the coming of our jailers? Will we wait till we are tied hand and foot and cannot help ourselves? Will we not realize the danger and take warning in time? To the intended victim the crouching panther gives warning by eyes and posture of its coming leap! So we are warned! Monarchy stoops to spring! Cold, pitiless Monarchy! that would pull over the form of the Republic, the winding sheet of death! Its God is Mammon and it seeks to enslave mankind! God forbid that you intend to supinely permit the act! Babes now in their mothers’ arms are in your keeping! Will you meet to consult for the common good? Will you follow chosen leaders, that union, system, organization, momentum and success may be given to our cause? Or, will you join the herd that knows only self, that brings disunion and distraction and a hell on earth? The latter are limbed as human beings, but otherwise are wormy, creeping things! No! You will do your part! Each boy, each girl, each man, each woman, will be like heroes in the strife!!”

Amidst applause that rang and rang again, the School closed.

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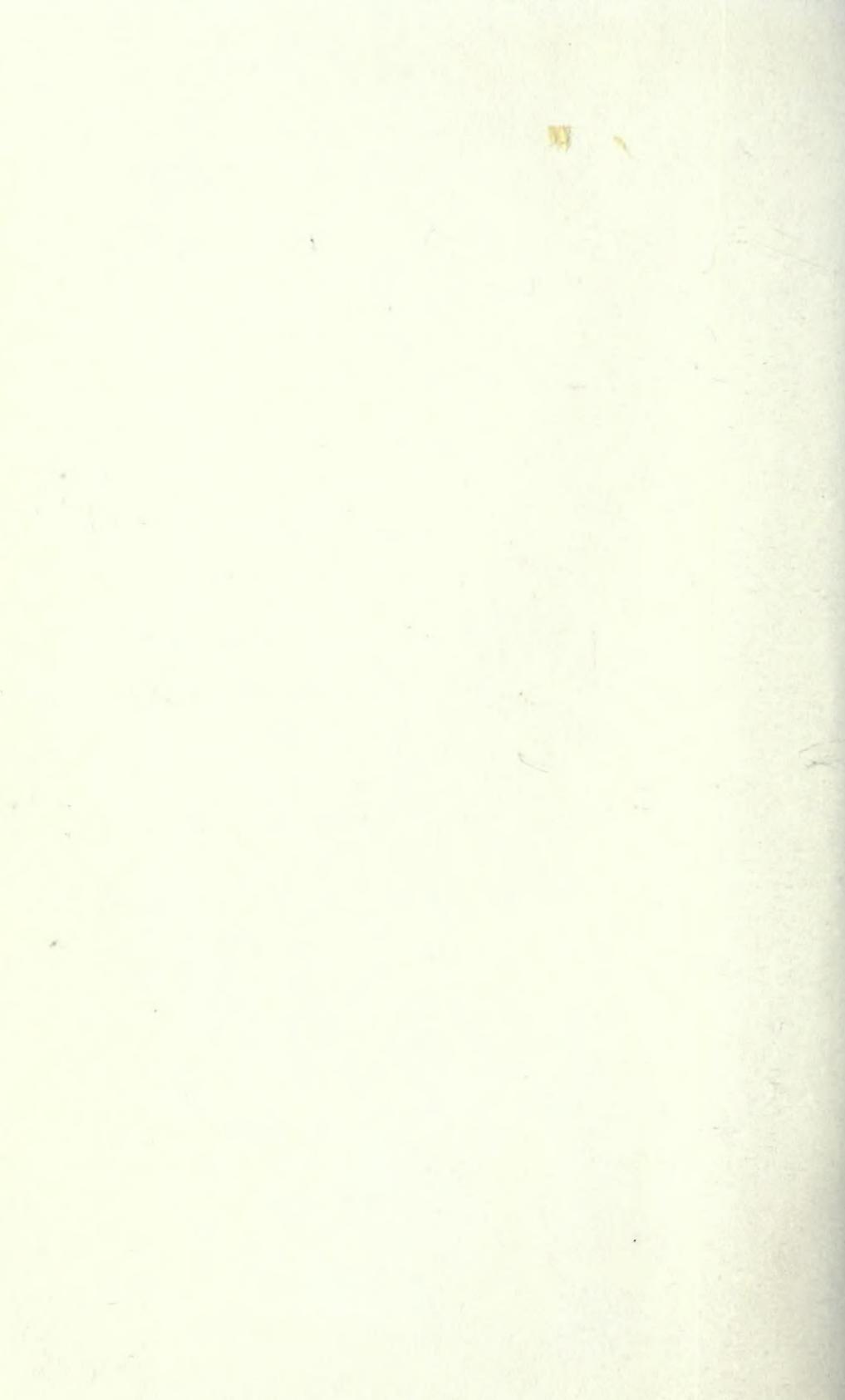
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